9TH ANNUAL REPORT
KRAZYBEE SERVICES PRIVATE LIMITED
FINANCIAL YEAR 2024-2025

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Madhusudan Ekambaram	Executive Director
Mr. Karthikeyan Krishnaswamy	Executive Director
Mr. Vivek Veda	Executive Director
Mr. Adesh Kumar Gupta	Independent Director
Mr. Abhishek Singhvi	Independent Director
Mrs. Shashikala Ramachandra	Independent Director
Mr. Nattanmai Venkataraman Saravanan *(Appointed w.e.f. August 29, 2025)*	Nominee Director
Mr. Gagan Lalit Mohan Joshi *(Appointed w.e.f. August 29, 2025)*	Nominee Director
Mr. Vinit Mukesh Mehta *(Appointed w.e.f. August 29, 2025)*	Nominee Director
Mr. Mamtesh Sugla *(Appointed w.e.f. August 29, 2025)*	Nominee Director
Mr. Ravindra Sengaonkar *(Appointed w.e.f. August 29, 2025)*	Independent Director
COMPANY SECRETARY Ms. Pallavi Lingaraju	**REGISTERED OFFICE** 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bengaluru, Karnataka – 560017.
CIN: U65100KA2016PTC086990	**Website: https://www.kbnbfc.in/**

KEY COMMITTEES

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee
- Risk Management Committee

COMPOSITION OF COMMITTEE

AUDIT COMMITTEE	**NOMINATION AND REMUNERATION COMMITTEE**
Mr. Adesh Kumar Gupta, Chairman Mr. Madhusudan Ekambaram, Member Mrs. Shashikala Ramachandra, Member Mr. Abhishek Singhvi, Member	Mr. Abhishek Singhvi, Chairman Mr. Adesh Kumar Gupta, Member Mrs. Shashikala Ramachandra, Member
STAKHOLDER RELATIONSHIP COMMITTEE	**RISK MANAGEMENT COMMITTEE**
Mr. Abhishek Singhvi, Chairman Mr. Madhusudan Ekambaram, Member Mr. Karthikeyan Krishnaswamy, Member Mr. Vivek Veda, Member	Mrs. Shashikala Ramachandra - Chairperson Mr. Madhusudan Ekambaram, Chairman Mr. Karthikeyan Krishnaswamy, Member Mr. Vivek Veda Director, Member Mr. Abhishek Singhvi, Member
AUDITORS	
Statutory Auditors **M/s. Tattvam & Co.,** Chartered Accountants Address: A-17, Pushpanjali Enclave, New Delhi – 110034 *(Ceased to an Auditor w.e.f. end of the day of August 13, 2025)* *The Board of Directors has appointed M/s Walker Chandiok & Co. LLP., Chartered Accountant (Firm registration No. 001076N/N500013) as the Statutory Auditor in their meeting held on August 13, 2025 which is subject to the approval of Shareholders of the Company in the ensuing Annual General Meeting of the Company.*	**Secretarial Auditor** **Siroya and BA Associates,** Company Secretaries A-103 Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400066

Information System Auditor **M/S. BDO India LLP** Address: 2nd Floor, SV Towers, 80 Feet Rd, Near Soni Signal, 6th Block, Koramangala, Bengaluru, Karnataka 560095.	**Internal Auditor** Mr. Arpit Agarwal, Chartered Accountant (Ceased to be an Internal Auditor w.e.f. July 31, 2025)
BANKERS	
ICICI Bank Limited Ground Floor, Commissariat Road, Ashok Nagar, Bengaluru, Karnataka 560025	**YES Bank Limited** Ground Floor 3, Kasturba Road, Bengaluru, Karnataka 560001
STOCK EXCHANGES	
BSE Limited, Mumbai	
CREDIT RATING AGENCY	
CRISIL Ratings Limited CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400 076. **CARE Ratings Limited** 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022	**Acuite Ratings & Research Limited** 708, Lodha Supremus Lodha iThink Techno Campus, Kanjurmarg East, Mumbai, Maharashtra 400042.
REGISTERED VALUER & MERCHANT DIRECTOR	
Mr. Shreyansh M Jain	Registered Valuer
M/s. Saffron Capital Advisors Private Limited	SEBI Registered Category I Merchant Banker
DEBENTURE TRUSTEE	
IDBI Trusteeship Services Limited GR FLR, Universal Insurance BLDG, Sir Phirozshah Mehta Rd, Fort Bazargate Mumbai Maharashtra - 400001 Ph. No. 022-40807000	**Vardhman Trusteeship Private Limited** The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai – 400051. Ph. No. +91(22) 40140832
MITCON Credentia Trusteeship Services Limited 1402/1403, 14th Floor, Dalamal Tower, B-Wing, 211, Free Press Journal Marg, Nariman Point, Mumbai, Maharashtra 400021	**SBICAP Trustee Company Limited** 4th Floor Mistry Bhavan 122 Dinshaw Vachha Road Churchgate Mumbai 400020
REGISTRAR & TRANSFER AGENT	
NSDL Database Management Limited 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Ph. No. 022 4914 2597.	

BOARD'S REPORT

Dear Members,

Your Board of Directors (the "**Board**") takes immense pleasure in presenting the 9th Board's Report of Krazybee Services Private Limited ("**the Company or KrazyBee**") along with the Audited Financial Statements for the year ended 31st March 2025 ("**during the year under review**" or "**the year**" or "**FY25**").

BACKGROUND

KrazyBee is a Non-Deposit taking Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) and classified in the Middle-Layer pursuant to the Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (holding a certificate of registration, no. N-02.00281 dated 25th May, 2017) and the Company is a High Value Debt Listed Entity ('HVDLE') pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). KrazyBee is founded by experienced entrepreneurs and finance professionals with a mission to tackle some of India's most pressing challenges in the lending space by offering a unique proposition through the use of innovative new generation technology and availability of credit, with a vision to be the preferred choice of credit for the borrowers nationwide.

1. Financial Summary and Highlights

The Financial Performance of the Company during year under review for the financial year ended on 31st March 2025 along with previous year Figures are given hereunder:

PARTICULARS	(Rs. in Lakhs) As on 31.03.2025	(Rs. in Lakhs) As on 31.03.2024
Revenue from operations	2,18,587.71	1,39,925.71
Other Income	95.75	107.01
Total Income	2,18,683.46	1,40,032.72
Total Expenses	1,89,002.58	1,13,194.05
Profit or (Loss) before Tax	29,680.88	26,838.67
Less: Tax Expenses		
Current Tax	9,895.23	11,229.53
Deferred Tax (credit)/charges	(2,314.04)	(4,544.64)
Tax in respect of earlier years	(21.98)	117.96
Profit / (Loss) for the year	**22,121.67**	**20,035.82**
Other Comprehensive Income	**(19.63)**	**(1.47)**
Total Comprehensive Income for the year	**22,102.04**	**20,034.35**
Earnings per Equity Share (basic) (Rs.)	1,962.33	1,787.12
Earnings per Equity Share (Diluted) (Rs.)	1,297.11	1,325.21

The Company's balance sheet size increased from Rs. 5,04,093.10 in FY 2023-24 to 6,24,997.81 in FY 2024-25. Total Income increased by 56.17% and stood at Rs.2,18,683.46 Lakhs (FY 2023-24: Rs. 1,40,032.72 Lakhs). The Company's Profit Before Tax was Rs. 29,680.88 Lakhs (FY 2023-24: Rs. 26,838.67 Lakhs) and the Profit After Tax increased by about 10.41% to Rs.22,121.67 Lakhs (FY 2023-24: Rs. 20,035.82 Lakhs).

2. Review of business operations

i. Revenue from Operations:

Revenue from the operations of the Company for the financial year 2024-25 were Rs. 2,18,587.71 Lakhs. It is 56.22% higher than Rs. 1,39,925.71 Lakhs in the previous year. Total expenses for the financial year 2024-25 were Rs. 1,89,002.58 Lakhs, against Rs. 1,13,194.05 Lakhs in the previous year. Profit after tax for the year stood at Rs. 22,121.67 Lakhs higher by 10.41% percent over Rs. 20,035.82, in the previous year.

ii. **Capital Adequacy**

The Capital to Risk Assets Ratio (CRAR) of your Company stood at 29.59% as on March 31, 2025 which is well above the regulatory minimum level of 15 percent prescribed by the RBI and the Tier I CRAR was 28.34% percent.

iii. **Basis of preparations of financial statements**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as notified on October 19, 2023 vide circular no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and updated from time to time

The Company is regulated by the RBI. RBI periodically issues/amends directions, regulations and/or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its Financial Statements.

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. Accounting policies have been consistently applied to all the years presented.

iv. **Finance**

During FY 2024-25, the Company met its funding requirements through a combination of Short-Term and Long-Term debt comprising Commercial Papers, Term Loans, Non-Convertible Debentures ("NCDs") and Bank Loans.

The Company had raised funds, during FY 2024-25, under the following categories:

(Rs. In Lakhs)

Category	**Amount**
Secured Non-Convertible Debentures	1,35,520
Commercial Papers	23,700
Term Loans/ Working Capital Loan	1,91,181.33
Pass Through Certificates	45,613.68
Inter Corporate Deposits	1,500
Overdraft Facilities	86,947.72

The aggregate debt outstanding as at March 31, 2025 was Rs. 3,60,340.84 lakhs (including Overdraft facility). The Debt / Net worth ratio as on March 31, 2025 was 1.53 times. The Company has been regular in repaying/servicing all its debt obligations.

3. **Credit Ratings**

During the year under review, your Company has been reaffirmed/issued Credit Ratings from 3 (Three) SEBI registered and RBI accredited Credit Rating Agencies and the details are given in the Corporate Governance Report.

During the year under review, the rating issued by Acuite Ratings & Research Limited was upgraded from "ACUITE A-" to "ACUITE A". CRISIL Ratings Limited and CARE Ratings Limited have also upgraded the ratings in the month of July 2025.

The detailed list of all the credit ratings obtained are given below:

Credit Rating Agency	Programme	Ratings Assigned as on March 31, 2025	Upgrade in Ratings, if any
Acuite Ratings & Research Limited	Bank Loan Ratings	Acuite A/ Stable	Upgraded from ACUITE A- to **ACUITE A** on October 09, 2024
	Non-Convertible Debentures	Acuite A/ Stable	Upgraded from ACUITE A- to **ACUITE A** on October 09, 2024
CRISIL Ratings Limited	Non-Convertible Debentures	CRISIL A-/Stable	Upgraded from CRISIL A- to **CRISIL A** on July 01, 2025
	Bank Loans	CRISIL A-/Stable	Upgraded from CRISIL A- to **CRISIL A** on July 01, 2025
	Commercial Paper	CRISIL A1	-
CARE Ratings Limited	Non-Convertible Debentures	CARE A-/ Stable	Upgraded from CARE A- to **CARE A** on July 09, 2025
	Bank Loans	CARE A-/ Stable	Upgraded from CARE A- to **CARE A** on July 09, 2025
	Commercial Paper	CARE A1	-

4. Transfer to Reserves

The Company has transferred an amount of Rs. 4,424.33 lakhs to Statutory Reserve as required under Regulation 45-IC of Reserve Bank of India Act, 1934 issued by the Reserve Bank of India.

5. Dividend

During the year under review, the Board of Directors have not declared Interim Dividend and do not recommend any final dividend on Equity and Compulsory Convertible Preference Shares for the FY 2025.

6. Details of the transfer/s to the investor education and protection fund (IEPF) made during the year

As per the provisions outlined in Regulation 61A of the SEBI Listing Regulations, the Company is required to transfer unclaimed interest, if any, to an escrow account maintained by the Company. Details regarding such transfers are available on the Company's website, in compliance with the SEBI Circular dated November 08, 2023.

The Company has also published its policy for claiming unclaimed amounts on its website at the weblink https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/policies/Policy+for+Dealing+and+Claiming+of+Unclaimed+InterestRedemption+amount+of+Non-convertible+Securities.pdf

Upon completion of seven years from the date of transfer to the escrow account, the unclaimed amounts, if any, will be transferred to the Investor Education and Protection Fund ("IEPF"). During the reporting year, no transfer to the Investor Education and Protection Fund (IEPF) was required to be made.

The Company Secretary of the Company has been designated as the Nodal Officer for handling investor queries related to unclaimed amounts.

7. State of the Affairs of the Company:

Your Company has no multiple business segments. The Company operates and has its business presence across the Country. There has been no change in the status of the Company during the year. Also, there was no such material event that has occurred during year under review. The Company is led by a strong management team, with extensive experience, that is constantly working towards the vision of the Company.

As on date of this Board's Report:

- The Company had filed applications with the RBI and BSE Limited seeking their 'No Objection' for the proposed Scheme of Arrangement between the Finnovation Tech Solutions Private Limited ('Transferor Company') and the Krazybee Services Private Limited ('Transferee Company') and their respective shareholders. The Company has since received the approval from the RBI.

- The Company has filed an application with RBI seeking approval for the change of its name from "Krazybee Services Private Limited" to "Krazybee Services Limited" and for the appointment of Nominee Directors on its Board. The Company has since received the approval from the RBI.

During the Financial Year 2024-25, Finnov Private Limited (Holding Company) had made an application for voluntary winding up and pursuant the order passed by the official liquidator the Equity Shares of Company aggregating to 11,27,313 were successfully transferred to the shareholders of the Holding Company. Accordingly, the shareholder of the Holding Company became direct shareholders of the Company. As on date of the Board's Report, the Holding Company has ceased to exit pursuant to the dissolution order.

8. Deposits

Your Company is an NBFC "Non-Deposit Taking Non-Banking Financial Company" registered with Reserve Bank of India. During the year under review, your Company has not accepted any deposits from the public within the meaning of the provisions of the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and Chapter V of the Companies Act, 2013.

9. Share Capital

Authorised Share Capital:

During the Financial Year 2024-25, the Authorized Share Capital of the Company is Rs. 1,361,00,00,000 (Indian Rupees One Thousand Three Hundred and Sixty-One Crores only) divided into 35,30,00,000 (Thirty-Five Crores and Thirty Lakhs) Equity Shares of face value of Rs. 10 (Indian Rupees Ten Only) each and 5,60,000 (Five Lakhs Sixty Thousand) Compulsory Convertible Preference Shares of face value of Rs. 18,000 (Indian Rupees Eighteen Thousand only) each.

Issued, Subscribed and Paid-up Share Capital:

During the Financial Year 2024-25, the Company has issued the Equity Shares by way of Bonus Issue to the existing fully paid Equity Shareholders of the Company whose names was appearing in the Register of Members/ Beneficial Owners Position of the Company as on the Record Date i.e. 21st March 2025. The Bonus Shares was issued in the ratio of 199:1 i.e. against each existing fully paid-up Equity shares of Rs. 10/- each, 199 fully paid Equity shares of Rs. 10/- each which aggregate to 22,43,35,486 (Twenty-Two Crores Forty-Three Lakhs Thirty-Five Thousand Four Hundred and Eighty-Six) Equity shares of Rs. 10/- (Rupees Ten only) each. However, the Board of Directors of the Company approved the allotment of Bonus Issue of Equity Shares in their meeting held on April 16, 2025.

Accordingly, pursuant to the allotment of bonus issue on April 16, 2025, the paid-up Share Capital of the Company is Rs. 10,85,62,16,000 (One Thousand Eighty-Five Crore Sixty-Two Lakh and Sixteen Thousand only) divided into 22,54,62,800 (Twenty-two Crore Fifty-Four Lakh Sixty-Two Thousand Eight Hundred) Equity Shares of face value of Rs. 10 (Indian Rupees Ten Only) each aggregating to Rs. 2,25,46,28,000/- (Two Hundred Twenty-Five Crore Forty-Six Lakh Twenty-Eight Thousand only) and 4,77,866 (Four Lakhs Seventy-Seven Thousand Eight Hundred Sixty-Six) Compulsory Convertible Preference Shares of face value of Rs. 18,000 (Indian Rupees Eighteen Thousand only) each aggregating to Rs.8,60,15,88,000 (Eight Hundred Sixty Crore Fifteen Lakh Eighty-Eight Thousand).

Following are the details of Authorized, Issued, Subscribed and Paid-Up Share Capital as on March 31, 2025:

Particulars	Amount (in Rs.)
AUTHORISED SHARE CAPITAL	
Equity Shares	3,53,00,00,000
Compulsorily Convertible Preference Shares	10,08,00,00,000
Total	**13,61,00,00,000**
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
Equity Shares	1,12,73,140
Compulsorily Convertible Preference Shares	8,60,15,88,000
Total	**8,61,28,61,140**

During the year under review, the Company has approved the conversion ratio of the Series D CCPS from the existing ratio of 1:1 to 200:1 i.e. each Series D CCPS will be converted into 200 equity shares and against the conversion of each Series D CCPS having face value of Rs. 18,000 each of the Company into 200 fully paid-up equity shares of Rs. 10/- each will be allotted at the time of conversion.

Issue of equity shares with differential rights:

During the year, the Company has not issued any Equity Shares with Differential Rights.

Issue of Sweat Equity Shares:

During the year under review, no Sweat Equity has been granted during the year. None of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

Employee Stock Options:

Pursuant to provisions of Section 62(1)(b) read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, your Company is committed to promote employee participation in its growth and future prospects through implementation of Krazybee Employee Stock Option Plan – 2023 ("Plan"). In order to attract, retain and motivate the best available talents and to reward the employees for their performance, the Company increased its existing ESOP pool from 1,23,271 (One Lakh Twenty Three Thousand Two Hundred Seventy One) employee stock options to 1,59,684 (One Lakh Fifty Nine Thousand Six Hundred Eighty Four) convertible into equity shares of the Company. This will provide an opportunity to more employees to participate in the growth of the Company.

During the year under review, your Company has offered Employee Stock Options to the employees of the Company pursuant to provisions of Section 62(1)(b) read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014.

The details of Employees Stock Option Scheme ('ESOP'):

(a) options granted - 1,43,376 (Granted during the year 61,372)
(b) options vested- NIL
(c) options exercised - NIL
(d) the total number of shares arising as a result of exercise of option: NIL
(e) options lapsed/ Cancelled: 1,184
(f) the exercise price: Exercise Price is 10/ESOP
(g) variation of terms of options: NA
(h) money realized by exercise of options- NA
(i) total number of options in force – 1,42,192
(j) employee wise details of options granted to:
(a) key managerial personnel:

Name of Employee	No. of Option granted
Mr. Madhusudan Ekambaram	47,114

(b) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year- There were two (02) Employees to whom ESOP was granted during the year:

Name of Employee	No. of Option granted
Mr. Madhusudan Ekambaram	47,114
Mr. Krishnaswamy Karthikeyan	12,231

(c) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant- The details are given below:

Name of Employee	No. of Option granted	Financial Year
Mr. Madhusudan Ekambaram	47,114	24-25

Mr. Krishnaswamy Karthikeyan	12,231	24-25
Mr. Vivek Veda	38,580	23-24
Mr. Sidharth Vishwanathan	183,78	23-24

Issue of Debentures, bonds or any convertible securities:

During the year under review, the Company has issued Non-Convertible Debentures under various ISINs.

Issue of Warrants:

During the year under review, the Company has not issued any warrants by way of preferential allotment or private placement.

Issue of Equity Shares on Bonus:

During the year under review, the Company has issued Equity Shares by way of Bonus Issue to the existing fully paid Equity Shareholders of the Company whose names was appearing in the Register of Members/ Beneficial Owners Position of the Company as on the Record Date i.e. 21st March 2025 and the Board has approved the allotment of the same on April 16, 2025. The Allotment is completed. The details of Bonus issue are given below:

Sr. No.	Particulars	Remark
a	Date of issue and allotment	**Date of Issue** Approval of Board of Director – March 21, 2025 Approval of Shareholders – March 28, 2025 **Date of Allotment** – April 16, 2025
b	Method of allotment (QIP, FPO, ADRs, GDRs, rights issue, bonus issue, preferential issue, private placement, conversion of securities, etc.)	Bonus Issue
c	Issue price	Not Applicable
d	Conversion price	Not Applicable
e	Number of shares allotted ~~or to be allotted in case the right or option is exercised by all the holders of such securities~~	22,43,35,486
f	Number of shares or securities allotted to the promoter group (including shares represented by depository receipts	Not Applicable
g	In case, shares or securities are issued for consideration other than cash, a confirmation that price was determined on the basis of a valuation report of a registered valuer.	Not Applicable

10. Foreign Exchange Management (Non-Debt Instruments) Rules, 2019

The Company has not made any downstream investment during the financial year ended 31 March 2025 and does not have any outstanding downstream investments, accordingly no certificate has been obtained from its statutory auditors.

11. Change in the Nature of Business

During the year under review, there were no changes in the nature of the business of the Company.

12. Risk Management

The Risk Management Committee (RMC), functions in line with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. The Company understands that risk evaluation and risk mitigation is a function of the Board of the Company, and the Board of Directors are fully committed in developing a sound system for identification and mitigation of applicable risks viz., systemic and non-systemic. The Company has put in place an Enterprise Risk Management policy which is approved by the

Board.

The Enterprise Risk Management policy acts as an umbrella policy which defines the overall risk management framework and the risk appetite of the Company. This covers all risk families including but not limited to Credit Risk, Market & Liquidity Risk, Compliance Risk, Operational Risk, Outsourcing Risk, Reputational Risk and Financial Risk. The said framework facilitates identification, measurement, mitigation and reporting of risks through constant monitoring of Key Risk Indicators (KRI) within the organisation. Involvement of the Senior Management team in implementation of the Risk Management framework ensures achievement of overall organisational objectives across all business units.

The risk management infrastructure operates on following key principles:

i. Objectively constructed Risk Appetite Statement covering all key aspects of a lending business
ii. Independent governance and risk management oversight
iii. Maintenance of well-documented risk policies with performance guardrails
iv. Extensive use of risk and business analytics, and credit bureau as an integral part of decision-making process.

The Risk Management team is headed by the Chief Risk Officer, who is responsible for overseeing the risk functions across all businesses, products and processes of the Company.

13. Material Changes and Commitments in the financial position of the Company

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 31st March, 2025 and the date of report.

14. Details of Significant and Material orders passed by the Regulators or Courts or Tribunals

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

15. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2025 is available on the website of the Company at https://www.kbnbfc.in/investor-relations.

16. Energy Conservation, Technology Absorption and Foreign Earning/ Outgo

As your Company is a Non-Banking Financial Company, it has not undertaken any activity relating to conservation of energy and technology absorption and the requirement of disclosure of particulars relating to conservation of energy and technology absorption in terms of Rule 8 of the Companies (Accounts) rules, 2014 does not arise.

During the year under review, there has been no foreign exchange earnings or outgo.

Sl. No.	Particulars	Rs. (In Lakhs)
1	Foreign Exchange Earnings	Nil
2	Expenditure in foreign currency	133.81

17. Directors and Key Managerial Personnel

During the year under review, the Company has approved to change the designation of Mr. Madhusudan Ekambaram and Mr. Karthikeyan Krishnaswamy from Non – Executive Director to Executive Director for a period of five years (5 years) effective from 1st September 2024 to 31st August 2029.

The Board of Directors of the Company has been constituted with the optimum combination of executive and non-executive directors. As on March 31, 2025, the Company has six (6) Directors on its Board consisting of three (03) Executive Director and three (03) Non-Executive Independent Directors including 1 women director The Chairman of the Board is an Executive Director. Your Company is complying with the applicable provisions of SEBI Listing Regulations.

a) Appointment/ Resignation of Directors

I. The term of office of Mr. Vivek Veda (DIN – 07560229), Director of the Company was ratified w.e.f. 30th December, 2022 to 31st March, 2024 and further approval was granted for continuation of his office for another term of five (05) years w.e.f. 1st April, 2024 to 31st March 2029 in the 01st Extra-Ordinary General Meeting 18th April 2024.

II. Mr. Adesh Kumar Gupta (DIN – 00020403) and Mr. Abhishek Singhvi (DIN – 07972535) were reappointed as Independent Directors for the 2nd term of five (05) years w.e.f. 29th May, 2024 up to 29th May, 2029.

III. Mr. Gopalakrishna Gurrappa (DIN – 06407040) resigned from the post of Non – Executive Independent Director of the Company w.e.f the close of business hours on July 22, 2024 due to his pre – occupation and other personal commitments.

IV. Mrs. Shashikala Ramachandra (DIN-08087460) has been as a Non – Executive Independent Woman Director of the Company w.e.f. 19th July 2024 to 19th July 2029 for an initial term of five (05) years.

V. The designation of Mr. Madhusudan Ekambaram (DIN – 07442577) and Mr. Karthikeyan Krishnaswamy (DIN – 07449376) from Non – Executive Director to Execute Director with effect from 1st September 2024 to 31st August, 2029

Declaration by Directors

Pursuant to the 'Fit and Proper' Policy adopted by the Company under the Reserve Bank of India Master Directions for NBFCs, the Company has received the 'Fit and Proper' declarations from all the Directors and same have been taken on the record by the Nomination and Remuneration Committee (NRC) and Board of the Company.

b) Appointment/ Resignation of Company Secretary: During the year under review, there was no change in the position of Company Secretary.

c) Designation of CEO & Key Managerial Personnel (KMP): During the year under review, the Company has designated the following:

1. Mr. Madhusudan Ekambaram (DIN – 07442577) as the Chief Executive Officer of the Company with effect from 1st September 2024 to 31st August, 2029.
2. Mr. Vivek Veda (DIN – 07560229) as the Chief Financial Officer of the Company with effect from 1st September 2024 to 31st August, 2029
3. Mrs. Pallavi Lingaraju as the Key Managerial Personnel with effect from February 7, 2025.

18. Major Corporate Events held from the end of FY 24-25 till the date of this Report

1. The Shareholders and the Board of Directors of the Company have approved the conversion of the Company from a Private Limited Company to a Public Limited Company. In this regard, the Company has submitted the requisite application to the Registrar of Companies (ROC), Bangalore, and the application is currently under consideration by ROC. Upon receipt of approval, a fresh Certificate of Incorporation will be issued reflecting the revised status of the Company. The Company will thereafter ensure compliance with all applicable provisions governing Public Limited Companies under the Companies Act, 2013.

2. The Company has approved the Scheme of Arrangement between Finnovation Tech Solutions Private Limited (The 'Transferor Company') and Krazybee Services Private Limited (The 'Transferee Company') and their respective shareholders. The scheme is currently under review by the concerned regulatory authorities.

19. Declaration by Independent Directors

During FY 2024-25, the Independent Directors of the Company, Mr. Adesh Kumar Gupta, Mr. Abhishek Singhvi & Mrs. Shashikala Ramachandra have given the Declaration(s) of Independence, Fit & proper criteria, Code of Conduct and Notice of Disclosure of Interest in other entities as required under the following:

a. Section 149, 150, 164 and 184 of the Act;
b. Regulation 25(8), 16(1)(b), 62N(9) and 62B(1)(b) of SEBI Listing Regulations and

c. Master Direction – Reserve Bank of India (Non – Banking Financial Company – Scale Based Regulation) Directions, 2023
d. SEBI (Prohibition of Insider Trading) Regulation, 2015

All Independent Directors are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/ her ability to discharge his/ her duties with an objective independent judgment and without any external influence.

In terms of Section 150 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules 2014, all the Independent Directors of the Company have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Company Affairs.

Pursuant to the above, the Company has received Declarations of compliance under Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, from all the Independent Directors of the Company confirming that they have registered their names in the data bank of Independent Directors maintained with the IICA and passed an online exam wherever applicable.

Pursuant to the declarations received from the Independent Directors and their performance evaluation, the Board is of the opinion that the Independent Directors possess the necessary integrity, expertise and experience (including the proficiency).

20. Corporate Governance and Committees of the Board.

Your Company endeavors to achieve and adopt the best predominant Corporate Governance practices in all spheres of the Organization. A detailed report on Corporate Governance prepared in accordance with the requirements of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and the SEBI Listing Regulations, is made as an integral part of the Annual Report. Details of the Committees along with their charters, composition and meetings held during the year, are provided in the Corporate Governance Report, forming a part of this Board's Report as **Annexure I**.

21. Number of Board Meetings during the Financial Year 2024-25

The Board of Directors met Ten (10) times during FY 2024-25 on the following dates:

Sl. No.	Date of the Board Meeting
1	16.04.2024
2	10.05.2024
3	29.05.2024
4	17.07.2024
5	13.08.2024
6	24.09.2024
7	08.11.2024
8	07.02.2025
9	20.02.2025
10	21.03.2025

The Board has constituted Statutory and Operational Committees as required under applicable laws. The number of Committee meetings held during the year is provided in Annexure I – Corporate Governance Report.

22. Nomination and Remuneration Policy

The Company has adopted a Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Senior Management & Succession Plan in accordance with the provisions of section 178 of the Companies Act, 2013, SEBI Listing Regulations and RBI Guidelines.

The policy is available on Company's website at the weblink: https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/policies/Nomination+and+Remuneration+Policy+Succession+Policy.pdf

The Nomination and Remuneration Policy of the Company is annexed hereto and forms part of this report as **"Annexure II"**

23. Familiarization Programme

The Company is required to conduct the Familiarization Programme for Independent Directors (IDs) in terms of Schedule IV of the Companies Act, 2013 to familiarize them about the Company, their roles, rights, responsibilities in the Company and various updates and notifications under Companies Act, 2013, Reserve Bank of India Guidelines and other statutes applicable to the Company. Accordingly, Independent Directors were explained in detail the compliances required from them under the Companies Act, 2013 and the recent Guidelines and Directions issued by Reserve Bank of India, applicable to the Company and other relevant regulations. Further, on an ongoing basis, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company and its operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

The details of Familiarization Programmes held have been hosted on the website of the Company at its web-link https://www.kbnbfc.in/investor-relations.

24. Board Evaluation

In compliance with the requirement of the Act and SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance and of the individual Directors as well as an evaluation of the working of all the Committees of the Board for the FY 2024-25. The Board of Directors was assisted by the Nomination and Remuneration Committee. The performance evaluation was carried out by seeking inputs from all the Directors / Members of the Committees, as the case may be.

The criteria for evaluation of the Board as a whole and also Committees, inter alia, covered parameters such as Structure of the Board, Meetings of the Board & Committees, Functions of the Board and Management.

The criteria for evaluation of Individual Directors covered parameters such as knowledge and competency, fulfillment of functions, long-term strategic planning and the fulfilment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings ability to function as a team, etc. The criteria for evaluation of the Board Committees covered areas related to mandate and composition, effectiveness of the Committee, structure of the Committee and meetings, etc.

The feedback of the Independent Directors on their review of the performance of Non-Independent Directors and the Board as a whole, the performance and the assessment of the quality, quantity and timeliness of flow of information between the Company, the Management and the Board which was taken into consideration by the Board in carrying out the performance evaluation.

The performance evaluation criteria for independent directors is based on various factors which includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

25. Directors' and Officers' Liability Insurance

The Company indemnifies all its past and present Directors and Officers in default, against certain liabilities and costs incurred by them in their respective capacities and has taken an insurance policy for its Directors and Officers (D & O policy).

26. Separate Meeting of Independent Directors

During the year under review, the Independent Directors met on January 21, 2025 to discuss the following:

a) Review the performance of Non - Independent Directors (including Chairperson) and the Board as a whole;
b) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the board to effectively and reasonably perform their duties.

The Meeting was attended by all Independent Directors and was conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

27. Details of Subsidiary/ Joint Ventures/ Associate Companies

The Company does not have any subsidiaries, joint ventures or associate companies.

28. Vigil Mechanism/ Whistle Blower Policy

Under the section 177 (9) of the Companies Act, 2013 read with Regulation 22 & Regulation 62J of the SEBI Listing Regulations, Company falls under the class or classes of companies to establish a vigil mechanism for their directors and employees to report their genuine concerns or grievances. The Company has established the Vigil mechanism/ Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for Directors, Employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or policy and it provides for adequate safeguards against victimization of persons who use it.

The policy is available on the website https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/policies/Vigilance+Policy.pdf

29. Prevention of Insider Trading

The Board of Directors of the Company has adopted the Code of Conduct for prevention of Insider Trading and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information' (UPSI) on account of applicability of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is also available on the website of the Company viz., https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/policies/CODE+OF+PRACTICES+AND+PROCEDURES+FOR+FAIR+DISCLOSURE+OF+UNPUBLISHED+PRICE+SENSITIVE+INFORMATION.pdf

30. Particulars of loans, guarantees or investments made under section 186 of the Companies Act, 2013

The provisions of Section 186 of the Act pertaining to granting of loans to any persons or bodies corporate, giving of guarantees or providing security in connection with loans to any other bodies corporate or persons and acquiring by way of subscription, purchase or otherwise, the securities of any other body corporate, are not applicable to the Company, since the Company is a Non-Banking Financial Company.

31. Particulars of contracts or arrangements made with related parties made pursuant to section 188 of the Companies Act, 2013.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions executed by the Company which may have a potential conflict with the interest of the Company. Particulars of transactions with Related party have been disclosed in the notes to accounts forming part of the Financial Statements.

Further all the necessary details of transaction entered with the related parties pursuant to section 134(3)(h) read with Section 188 of the Companies Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are attached herewith in form no, AOC-2 for your kind perusal and information as an **Annexure -III.**

The Policy on Related Party Transaction as approved by the Board has been hosted on the website of the Company at its weblink https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/policies/Related+Party+Transaction+Policy.pdf

The details of related party transactions as required to be disclosed by Indian Accounting Standard – 24 on "Related Party Disclosures" specified under Section 133 of the Companies Act, read with the Companies (Indian Accounting Standards) Rules, 2015, are given in the notes to the Financial Statements.

32. Information pursuant to rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

During the year under review, the provisions of section 197 of the Companies Act, 2013 and Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

However, for the purpose of converting the Company into a Public Company, the approval of Board and Shareholders have taken on June 25, 2025 & June 27, 2025 respectively for complying under Section 197 of the Companies Act, 2023 and rules made thereunder

33. Statutory Auditors

Pursuant to the provisions of Section 139 and 141 of the Companies Act, 2013 and the guidelines prescribed by the Reserve Bank of India ("RBI") vide its Circular dated April 27, 2021 for Appointment of Statutory Central Auditors ("SCAs") / Statutory Auditors ("SAs") of Commercial Banks (excluding Regional Rural Banks), Urban Co-operative Banks ("UCBs") and Non-Banking Financial Companies ("NBFCs") (including Housing Finance Companies) ("RBI Guidelines"), M/s Tattvam & Co. Chartered Accountants (Firm Registration Number: 015048N), appointed as Statutory Auditor of the Company for a period of consecutive three (03) years effective from the conclusion of the 8th AGM i.e. September 27, 2024 till the conclusion of the 11th AGM proposed to be held in the calendar year 2027, subject to the firm satisfying the eligibility norms each year. M/s Tattvam & Co. vide resignation letter dated August 05, 2025 resigned w.e.f. end of the day of August 13, 2025.

The Board of Directors has appointed M/s Walker Chandiok & Co. LLP., Chartered Accountant (Firm registration No. 001076N/N500013) as the Statutory Auditor in their meeting held on August 13, 2025 which is subject to the approval of Shareholders of the Company in the ensuing Annual General Meeting of the Company.

34. Secretarial Auditors

Pursuant to the provisions of Section 204(1) of the Companies Act 2013 read along with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules 2020 and other applicable provisions, if any, of the Companies Act 2013, the Board of the Company has appointed M/s. Siroya and BA Associates as the Secretarial Auditors of the Company for the financial year 2024-25.

The Secretarial Audit Report in the form MR – 3 for the FY 2024-25 forms part of the Board's Report as '**Annexure-IV**'.

35. Internal Audit

The internal audit is an integral part of corporate governance. The objective of Internal Audit is to identify, assess and mitigate risks as well as to evaluate and contribute to the systems of internal controls and governance processes followed by the Company. Key elements of Internal Audit are assurance on Controls, Governance and Compliance, Business Risk Assessment and its Mitigation and Process Optimisation. The Audit Committee regularly reviews the internal audit reports and the adequacy and effectiveness of internal controls.

36. Information System Auditor

During the year, pursuant to the Paragraph 5 of the Master Direction - Information Technology Framework for the NBFC Sector issued by the Reserve Bank of India, the Company has appointed M/s. BDO India LLP as the Information System Auditor of the Company.

37. Cost Records & Cost Audit

As per the Companies (Cost Records) Rules, 2014, the Company is not required to include cost records in the books of account and get the audit of cost records done.

38. Internal Financial Controls

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. Internal control systems at the Company are adequate and operate commensurate with its size and the nature of its operations 'To ensure effective Internal Financial Controls, the Company has laid down the following measures:

a. The internal financial control systems are commensurate with the size and nature of its operations. Further, the Company makes sure that systems are upgraded and best industry practices are implemented as and when Company grows.
b. All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
c. Approval of all transactions is ensured through a preapproved Delegation of Authority Schedule which is reviewed periodically by the management.
d. The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguarding and protection of all the assets. Fixed Asset verification of assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to Board of Directors for their review and necessary action. Company makes sure that internal control systems are upgraded and best practices are implemented as and when the organizations grows.

39. Corporate Social Responsibility

As required under Section 135 of the Companies Act, 2013, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to recommend the amount of expenditure to be incurred on the activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

For FY 2024-25, the CSR budget of the Company spent towards projects and programs covered under Schedule VII to the Act, as approved by the CSR Committee of the Board and the Board of Directors. The Annual Report on the CSR activities is enclosed as **Annexure V.**

The Corporate Social Responsibility Policy is enclosed as **Annexure VI** and the same is available at Company's website at chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/Corporate+Social+Responsibility+Policy.pdf.

40. Management Discussion and Analysis Report

The Management's Discussion and Analysis Report for the year under review, forms part of the Annual Report enclosed as **Annexure VII.**

41. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal and Statutory Auditors, including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2024-25.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts, Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 (the "Act"), other relevant provisions of the Act, guidelines issued by Regulators as applicable to an Non-Banking Financial Company and other accounting principles generally accepted in India have been followed and that there are no material departures therefrom.

b) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and cash flows of the Company for the year;

c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) prepared the annual accounts on a going concern basis;

e) laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and

f) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Financial Statements have been prepared in accordance with Ind-AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act.

42. Compliance Certificate under Regulation 17 (8) of SEBI Listing Regulations

The Compliance Certificate issued by the Chief Executive Officer and Chief Financial Officer certified to the Board on the accuracy of financial statements and other matters as specified in the SEBI Listing Regulations, forms part of the Report on Corporate Governance.

43. Accounting Standards followed by the Company

The Financial Statements of the Company have been prepared in accordance with Ind AS, as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act. Further, the Company follows the Master Directions issued by the RBI for NBFCs.

The Financial Statements have been prepared on an accrual basis.

44. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditor in their reports

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditor, Secretarial Auditor or the Internal Auditor in their report.

45. Reporting of Frauds by Auditors

There have been no frauds reported by the Auditors of the Company under sub-section (12) of section 143 of the Companies Act, 2013.

46. Compliance with Reserve Bank of India Guidelines

Your Company continues to carry on its business of Non-Banking Financial Company as a Non-Deposit taking Company and follows prudent financial management norms as applicable. Pursuant to the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, your Company is classified under Middle Layer category. Your Company has duly complied with the applicable regulations issued by Reserve Bank of India from time to time.

47. Compliance with SEBI Regulations

During the year under review, the provision of Regulation 16 to Regulation 27 (the corporate governance provisions) is applicable on the Company and the Company was classified as High Value Debt Listed Entity ('HVDLE') under the provisions of SEBI Listing Regulations. The Company is complying with the applicable provisions.

The provisions of Chapter VA of SEBI Listing Regulations are applicable on the Company from April 01, 2025 and the Company is complying with the applicable provisions.

48. Secretarial Standard

The Company is following Secretarial Standard-1 on Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings and all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

49. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company is committed to fostering a safe and respectful work environment for all employees. In terms of the provisions of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act 2013 (the 'Act") which is in force from 9th December 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. The policy extends protections against sexual harassment, ensuring a safe and respectful work environment for everyone at the Company. The Company has been employing women employees in various cadres with varied responsibilities.

To ensure a fair and effective grievance redressal process, the company has established an Internal Complaint Committee. The number of complaints received during the financial year 2024-25 along with their status of redressal as of the financial year ended March 31, 2025, is as follows:

No. of Complaints of Sexual Harassment received in the year	0
No. of Complaints disposed off during the year	0
No. of cases pending for more than ninety days	0

50. Statement for the Compliance of Maternity Benefit Act 1961

During the year under review, the Company is in compliance with the provisions of Maternity Benefit Act 1961.

51. Transfer of amounts to Investor Education and Protection Fund

During the year under review, there were no circumstances before the Company to transfer the funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

52. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

There is no application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

53. Repayment of loans/ Interest.

The Company has not defaulted in repayment of loans from banks and financial institutions and there were no delays or defaults in payment of interest/principle of any debt raised by the Company.

54. Acknowledgements

Your Directors would wish to convey their gratitude and place on record their appreciation of the hard work and commitment of the Company employees and are grateful for the co-operation and support extended to the Company by the Bankers, Statutory Authorities, Financial Institutions(s) and all other establishments connected with the business of the Company.

For and on behalf of the Board of Directors of
Krazybee Services Private Limited

KRAZYBEE SERVICES PVT. LTD. Bangalore

Vivek Veda
Director
DIN: 07560229
Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glay Layout, Bangalore, Karnataka, India-560103

KRAZYBEE SERVICES PVT. LTD. Bangalore

Karthikeyan Krishnaswamy
Director
DIN: 07449376
K-701, SNN Raj Lake View Apts,29th Main Road, NS Palya Main Road, BTM Layout Bengaluru, Karnataka India-560076

Place: Bangalore
Date: August 13, 2025

Compliance Certificate

The following compliance certificate shall be furnished by chief executive officer and chief financial officer:

A. They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. They have indicated to the auditors and the Audit committee
(1) significant changes in internal control over financial reporting during the year;
(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For and on behalf of the Board of Directors of
Krazybee Services Private Limited

Madhusudan Ekambaram	**Vivek Veda**
DIN: 07442577	**DIN: 07560229**
Designation: Executive Director & CEO	**Designation: Executive Director & CFO**

Place: Bangalore

Date: August 13, 2025

"ANNEXURE I"

CORPORATE GOVERNANCE REPORT

Philosophy on Corporate Governance:

Your Company's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices. The Company's Corporate Governance philosophy envisage adherence to the highest standards of transparency, accountability and equity in all areas of its operations and in interactions with all its stakeholders, including its customers, shareholders, employees, Government and others. The basic objective of the Company's Governance is to enhance shareholder value continuously. Your Company recognizes the utmost importance of complying with all applicable laws, rules and regulations, not only in word but also in practice. The Company's Code of Business Conduct and Ethics and its well-structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders.

The integral component of Governance Framework of the Company is their Board of Directors who are at the core of its Corporate Governance practice, formulating, directing and overseeing how the Company and its management and all employees adhere to Corporate Governance norms, serve and protect the long-term interests of all the stakeholders of the Company. The Company believes that an active, well-informed, "Independent Board" shall ensure the highest standards of Corporate Governance. The Independent Directors of your Company with their professional expertise actively participate in ensuring proper Corporate Governance. The Board is supported by Committees to ensure that the Company's governance mechanisms are effectively implemented and its fiduciary duties towards all stakeholders are efficiently fulfilled.

Your Company acknowledges adherence to all the requirements with regard to Corporate Governance, as stipulated under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 ("RBI Master Directions"). A report on these is detailed below.

The total outstanding value of listed non-convertible debentures issued by the Company crossed the prescribed limit, pursuant to which the Company is categorized as High Value Debt Listed Entity ('HVDLE') during FY 2024-25.

I. BOARD OF DIRECTORS:

a) Composition of the Board

The Board of your Company provide leadership and strategic guidance to the Company's management and plays a crucial role in matters relating to the formulation of various policies and its implementation and strategic issues. The Board of Directors of your Company has an optimum and diverse mix of Executive and Non- Executive Directors and the same is in conformity with the Companies Act, 2013, SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations"), and RBI Master Directions.

As on 31st March, 2025, the Board of Directors of the Company comprised of 6 (Six) Directors, of whom 3 (three) are Executive Director and 3 (three) Non-Executive Independent Directors including 1 Women Director. The Chairman of the Board is an Executive Director. All of them bring in wide range of skills and experience to the Board and this makes the Board 'balanced' with optimal representation of experts from various realms. The Board has no Institutional Nominee Director.

Compliance with Fit & Proper Criteria for Directors: The Nomination & Remuneration Committee (**'NRC'**), in accordance with 'Director's Fit and Proper Criteria Policy', ensures the 'Fit and Proper' status of Directors at the time of appointment and on a continuing basis, as prescribed by the Reserve Bank of India (**'RBI'**).

b) Number of meetings of the Board of Directors held and dates of the same are as follows:

Board Meetings are convened with due notice, providing members with comprehensive information in the form of agenda items. This enables thorough deliberation on each item and facilitates informed decision-making, thereby guiding Management appropriately. During the Financial Year ended 2024-25, the Board met 10 (Ten) times on the following dates and the maximum gap between 2 meetings did not exceed one hundred and twenty days:

Sl. No.	Date of Board Meeting
1.	16.04.2024
2.	10.05.2024
3.	29.05.2024
4.	17.07.2024
5.	13.08.2024
6.	24.09.2024
7.	08.11.2024
8.	07.02.2025
9.	20.02.2025
10.	21.03.2025

The Composition and Category of the Board is enumerated below:

Sl. No	Name of Director and DIN	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Board Meetings		No. of other Directorships	No. of shares held in and convertible instruments held in the NBFC as on date	Whether attended last AGM on 27.09.2024
				Held	Attended			
1	Mr. Madhusudan Ekambaram DIN: 07442577	16/03/2016	Executive Director & Chief Executive Officer (CEO)	10	9	2	1,47,13,075	No
2	Mr. Karthikeyan Krishnaswamy DIN: 07449376	16/03/2016	Executive Director	10	9	1	45,45,070	Yes
3	Mr. Vivek Veda DIN: 07560229	26/07/2016	Executive Director	10	10	0	0	Yes
4	Mr. Adesh Kumar Gupta DIN: 00020403	28/05/2019	Non-Executive Independent Director	10	10	6	0	No
5	Mr. Abhishek Singhvi DIN: 07972535	28/05/2019	Non-Executive Independent Director	10	9	2	0	Yes
6	Mrs. Shashikala Ramachandra DIN: 08087460	19/07/2024	Non-Executive Independent Women Director	6	6	2	0	No

During the year under review, there was following change was made in the composition of the Board and KMP of the Company.

1. The re-appointment of Mr. Vivek Veda, Director of the Company has been ratified and approved by the shareholders for a term of 5 years i.e. till 31st March 2029, in the Extra-Ordinary General Meeting held on 18th April 2024.
2. Mr. Adesh Kumar Gupta and Mr. Abhishek Singhvi was reappointed as Independent Directors for a second term of 5 years i.e. until 29th May 2029 by the Shareholders of the Company in their meeting held on April 18, 2024.

3. Mr. Gopalakrishna Gurrappa (DIN – 06407040) resigned from the post of Non – Executive Independent Director of the Company from the close of business hours on July 22, 2024.
4. Mrs. Shashikala Ramachandra (DIN-08087460) was appointed as a Non – Executive Independent Woman Director of the Company for an initial term of 5 (five years) w.e.f. 19th July 2024 to 19th July 2029.
5. The designation of Mr. Madhusudan Ekambaram (DIN – 07442577) changed from Non – Executive Director to Execute Director with effect from September 1, 2024 till August 31, 2029 subject to re-appointment for continuationand also designated as Chief Executive Officer (CEO) of the Company.
6. The designation of Mr. Karthikeyan Krishnaswamy changed from Non – Executive Director to Execute Director with effect from September 1, 2024 till August 31, 2029.

As on the date of this report, the Shareholders of the Company in their meeting held on August 29, 2025 has approved the appointment of 4 Nominee Directors and 1 Independent Director. The details are mentioned herein:

Name of Director	DIN	Designation
Mr. Nattanmai Venkataraman Saravanan	06989767	Nominee Director
Mr. Gagan Lalit Mohan Joshi	07807857	Nominee Director
Mr. Vinit Mukesh Mehta	08792902	Nominee Director
Mr. Mamtesh Sugla	08312311	Nominee Director
Mr. Ravindra Sengaonkar	07474309	Independent Director

Disclosure of relationships between directors inter-se:

None of the Directors are interested / related to each other.

The details of remuneration are captured in Part III - Remuneration of Directors of the Report.

c) **Memberships of Director(s) in other company's Board(s):**

As on 31 March 2025, following are the particulars of Directorships, Memberships of Board Committees held at other companies:

Sl. No.	Name of the Directors	Other Directorships held	Board Committees (in other companies)		Directorships in other listed entities including category of directorship	Shareholding
			Chairman	Member		
1	Mr. Madhusudan Ekambaram	1	0	1	-	4.84%
2	Mr. Karthikeyan Krishnaswamy	1	0	1	-	1.67%
3	Mr. Vivek Veda	0	0	0	-	-
4	Mr. Adesh Kumar Gupta	9	4	13	Grasim Industries Limited – Independent Director	0.01%
					India Pesticides Limited - Independent Director	-
					CARE Ratings Limited - Independent Director	-
					Krsnaa Diagnostics Limited - Independent Director	-
					Vinati Organics Limited – Independent Director	-
5	Mr. Abhishek Singhvi	2	0	0	-	-
6	Mrs. Shashikala Ramachandra	2	3	2	Kogta Financial (India) Ltd Chemm Finance Limited	-

In terms of the provisions of SEBI Listing Regulations, None of the directors of the Company were members of more than 10 (ten) committees or acted as the chairperson of more than 5 (five) committees across all listed companies in India in which they were/ are a Director. Based on the disclosures received from the Directors, it is confirmed that none of the Directors are on the Board of more than 20 Companies, 10 Public Companies & 7 Listed Companies.

In terms of RBI Master Direction, none of the Independent director of the Company is in the Board of more than three NBFCs (NBFCs-ML or NBFCs-UL) at the same time.

d) Familiarization Programme

The Company is required to conduct the Familiarization Programme for Independent Directors (IDs) in terms of Schedule IV of the Companies Act, 2013 to familiarize them about the Company, their roles, rights, responsibilities in the Company and various updates and notifications under Companies Act, 2013, Reserve Bank of India Guidelines and other statutes applicable to the Company. Accordingly, Independent Directors were explained in detail the compliances required from them under the Companies Act, 2013 and the recent Guidelines and Directions issued by Reserve Bank of India, applicable to the Company and other relevant regulations. Further, on an ongoing basis, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

Pursuant to the provisions of Regulations 62 (1A) of the details of Familiarization Programmes held have been posted on the website of the Company at its web-link https://www.kbnbfc.in/investor-relations.

e) Skill, Competence and Expertise of Board of Directors

Sl No.	Skills, Competencies/ Expertise	Mr. Madhusudan Ekambaram	Mr. Karthikeyan Krishnaswamy	Mr. Vivek Veda	Mr. Adesh Kumar Gupta	Mr. Abhishek Singhvi	Mrs. Shashikala Ramachandra
1	Industry experience including its entire value chain and in-depth experience in corporate strategy and planning	√	√	√	√	√	√
2	Understanding of the relevant laws, rules, regulations policies applicable to the Non- Banking Financial Companies	√	√	√	√	√	√
3	Experience in finance, tax, risk management, legal, compliance and corporate governance	√	√	√	√	√	√
4	Experience in Human Resource Management, Communication and Information Technology	√	√	√	√	√	√
5	Leadership Quality including integrity and high ethical standards	√	√	√	√	√	√
6	Social welfare orientation	√	√	√	√	√	√

f) **Confirmation of the Board regarding fulfillment of independence criteria as provided in the Listing Regulations by the Independent Directors of the Company and that they are independent of the management.**

Your Company has received all the necessary Declarations from all the Independent Directors of the Company that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, Regulation 16(1) (b) and Regulation 62B(1)(b) of the SEBI Listing Regulations. All Independent Directors also comply the code of conduct for independent directors as prescribed in Schedule IV to the Act.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013, Regulation 16(1) (b) and Regulation 62B(1)(b) of the SEBI Listing Regulations and are independent of the management.

g) **Detailed reason for the Resignation of Independent Director**

Mr. Gopalakrishna Gurrappa (DIN – 06407040) resigned from the post of Non – Executive Independent Director of the Company w.e.f. July 22, 2024 due to his Pre-occupation & other personal commitments.

h) **Separate Meeting of Independent Directors**

During the year under review, the Independent Directors met on January 21, 2025 to discuss the following:

a) Review the performance of Non - Independent Directors (including Chairperson) and the Board as a whole;
b) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the board to effectively and reasonably perform their duties.

The Meeting was attended by all the Independent Directors and was conducted to enable the Independent Directors to discuss matters as required under applicable laws and regulations and put forth their combined views to the Board of Directors of the Company.

II. COMMITTEES OF THE BOARD

The Board constituted various committees as required under the provisions of the Companies Act, 2013, SEBI Listing Regulations & RBI Master Directions, to function in specific areas and to take informed decisions within delegated powers. Each committee exercises its functions within the scope and area as defined in its constitutional guidelines. With a view to have a more focused attention on business and for better governance and accountability and as per requirement of various provisions of the Companies Act, 2013, and relevant Master Directions and Regulations issued by Reserve Bank of India from time to time the Board has constituted the following Committees:

a) Audit Committee
b) Nomination and Remuneration Committee
c) Stakeholder Relationship Committee
d) Risk Management Committee
e) Corporate Social Responsibility Committee
f) Grievance Redressal Committee
g) Asset Liability Management Committee
h) IT Strategy Committee
i) IT Steering Committee
j) Information Security Committee
k) Finance Committee *(Formerly known as Board Committee (Borrowings)*
l) New Product Committee
m) Privacy Committee
n) Committee for Identification of Non – Cooperative borrower
o) Review Committee
p) Special Committee
q) Internal Compliant Committee (ICC)

Details pertaining to the role and composition of these committees, including the number of meetings held during the financial year and the attendance thereof are provided below:

a. **Audit Committee**

The Company has constituted a well-qualified Audit Committee which assists the Board with its responsibility of overseeing the quality and integrity of the accounting, auditing, financial performance and reporting practices of the Company and its compliance with the legal and regulatory requirements. The composition, meetings, quorum, powers, role and scope are in accordance with the provision of the Section 177 of the Companies Act, 2013, Regulation 18 & Regulation 62F of SEBI Listing Regulations and RBI Master Direction. The Audit Committee of the Company comprises 4 Members and 3 members are Independent Directors. The Chairperson of the Committee is an Independent Director. All members of audit committee are financially literate. The Company Secretary of the Company acts as the Secretary of the Committee.

Frequency of Meeting

The meeting of Audit Committee shall be held on quarterly basis and as & when required.

Terms of Reference of the Committee

The functions of the Audit Committee will be, inter alia, as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   (b) changes, if any, in accounting policies and practices and reasons for the same;
   (c) major accounting entries involving estimates based on the exercise of judgment by management;
   (d) significant adjustments made in the financial statements arising out of audit findings;
   (e) compliance with listing and other legal requirements relating to financial statements;
   (f) disclosure of any related party transactions;
   (g) modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
8. Approving or subsequently modifying the transactions of the Company with related parties;
9. Scrutinising inter-corporate loans and investments;
10. Valuing undertakings or assets of the Company, wherever necessary;
11. Evaluating the internal financial controls and risk management systems of the Company;
12. Monitoring the end use of funds raised through private placements and other instruments and related matters.
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing of adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
15. Discussion with internal auditors of any significant findings and follow up there on;

16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
22. To monitor the vigil mechanism and have an access to Chairman of the Audit Committee for reporting under vigil mechanism in exceptional cases.
23. Review fraud cases involving amount of Rs.1crore or less reported by the auditors in accordance with Section 143 of the Companies Act, 2013.
24. Review of Internal Audit Plan and status of achievement thereof; Implementation of Internal Audit Policy.
25. Audit Committee to ensure that an Information System (IS) Audit ("IS Audit") of the internal systems and processes is conducted.
26. Review of the KYC Audit Report on quarterly basis.
27. Review of frauds of Rupees Twenty-Five Lakhs and above as and when reported in accordance with the Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016.
28. Carrying out any other function as is mentioned in the terms of reference of the audit committee Further, the audit committee shall mandatorily review the following information:

    (1) Management Discussion and Analysis of financial condition and results of operations;

    (2) Management letters / letters of internal control weaknesses issued by the statutory auditors;

    (3) Internal Audit Reports relating to internal control weaknesses;

    (4) Appointment, removal and terms of remuneration of the Chief Internal auditor shall be subject to review by the audit committee.

    (5) Statement of Deviations:

    (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

    (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Additionally, it is essential for the Audit Committee to ensure that an Information System (IS) Audit ("**IS Audit**") of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company. The IS Audit will be undertaken prior to the statutory audit to make the IS Audit reports readily available to the statutory auditors well in time for examination and incorporation of comments in the audit report prepared by them.

Meetings of the Committee:

During the year under review, the Audit Committee met 7 (Seven) times on following dates:

Sl. No.	Date of Meeting
1.	16.04.2024
2.	29.05.2024
3.	17.07.2024
4.	13.08.2024
5.	08.11.2024
6.	07.02.2025
7.	21.03.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of share and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Adesh Kumar Gupta	09/03/2020	Chairman, Non-Executive Independent Director	7	7	0
2	Mr. Madhusudan Ekambaram	09/03/2020	Member, Executive Director	7	7	1,47,13,075
3.	Mrs. Shashikala Ramachandra	19/07/2024	Member, Non-Executive Independent Director	4	4	0
4.	Mr. Abhishek Singhvi	17/07/2024	Member, Non-Executive Independent Director	4	4	0

b. **Nomination and Remuneration Committee:**

The Company has constituted a well-qualified Nomination & Remuneration Committee. The composition, meetings, quorum, powers, role and scope are in accordance with the provision of the Section 178 of the Companies Act, 2013, Regulation 19 & Regulation 62G of SEBI Listing Regulations and RBI Master Direction. The Nomination & Remuneration Committee of the Company comprises of three members of the Board. The Chairman of the Committee is an Independent Director. The Company has duly adopted Nomination & Remuneration Policy and also posted on the website of the Company. The Policy can be viewed at https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/Nomination+and+Remuneration+Policy.pdf

Terms of Reference of the Committee

1. The Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required for the appointment of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
   For the purpose of identifying suitable candidates, the Committee may:
   a. Use the services of an external agencies, if required;
   b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. Consider the time commitments of the candidates.

2. Formulate the criteria for evaluation of performance of independent directors and the board of directors;
3. Devise a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become Directors and who may be appointed in Key Managerial Personnel & in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
5. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.
7. Evaluating the performance of the Board, its committees and directors;
8. Formation of succession plan of the Policy;
9. To devise Policy on remuneration including any compensation and related payments of the Directors, Key Managerial Personnel and other employees and recommend the same to the Board of the Company;
10. Considering any other matters at the request of the Board and such matters as may be required to be considered by law.

Meetings of the Committee:

During the year under review, the Nomination & Remuneration Committee met 5 (Five) times on following dates:

Sl. No.	Date of Meeting
1.	16.04.2024
2.	17.07.2024

3.	13.08.2024
4.	06.02.2025
5.	21.03.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Abhishek Singhvi	09/03/2020	Chairman, Non-Executive Independent Director	5	5	0
2	Mr. Adesh Kumar Gupta	09/03/2020	Member, Non-Executive Independent Director	5	5	0
3	Mr. Madhusudan Ekambaram	09/03/2020 *(Ceased to be a Member w.e.f. July 17, 2024)*	Member, Executive Director	2	2	1,47,13,075
4.	Mrs. Shashikala Ramachandra	19/07/2024	Member, Non-Executive Independent Director	3	3	0

Details of the performance evaluation of Board of Directors of the Company including Independent Directors is provided in the Board's Report forming part of the Annual Report of the Company.

c. **Stakeholder Relationship Committee**

The Company has constituted a well-qualified Stakeholder Relationship Committee to look into various aspect of interest of Shareholders, Debenture holders & other securityholders. The composition, meetings, quorum, powers, role and scope are in accordance with the provision of the Section 178 (5) of the Companies Act, 2013 & Regulation 20 & Regulation 62H of SEBI Listing Regulation. The Committee comprise of 4 Directors with 1 Independent Director. The Chairperson of the Committee is an Independent Director. The Board has designated Pallavi Lingaraju, Company Secretary as Compliance Officer.

The Status of Investors' complaints which was taken from the SCORES platform, for the quarter ended March 31, 2025 is given below:

Sr. No.	Details of Investors Complaints	No. of Complaints
1.	Number of Shareholders' complaints received during the financial year	Nil
2.	Number of complaints not solved to the satisfaction of Shareholders	Nil
3.	Number of pending complaints	Nil

Terms of Reference of the Committee

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Meetings of the Committee:

During the year under review, the Stakeholder Relationship committee met 1 (One) time on 06th February, 2025.

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Abhishek Singhvi	07/11/2023	Chairman, Non-Executive Independent Director	1	1	0
2	Mr. Karthikeyan Krishnaswamy	07/11/2023	Member, Executive Director	1	1	53,75,600
3	Mr. Vivek Veda	07/11/2023	Member, Executive Director	1	1	0
4	Mr. Madhusudan Ekambaram	07/11/2023	Member, Executive Director	1	1	1,47,13,075

d. **Risk Management Committee**

The Company has constituted a Risk Management Committee to investigate identifying, assessing and prioritising the major risks faced by the Company and developing strategies to minimise, monitor and control the probable and/or impact of unfortunate events. It is also responsible for assessing a business contingency plan and reviewing processes and procedures to ensure the effectiveness of internal systems of control, and to discuss external developments and the reporting of specifically associated risks, including emerging and prospective impacts. The composition, meetings, quorum, powers, role and scope are in accordance with the provision of the SEBI Listing Regulations & RBI Master Direction. The Committee comprise of 5 members with 2 Independent Director. The constitution and functioning of Risk Management Committee is in line with the requirements of the SEBI Listing Regulations and RBI regulations.

Terms of Reference of the Committee:

1. To formulate a detailed risk management policy which shall include:
a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
b. Measures for risk mitigation including systems and processes for internal control of identified risks.
c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. Identification, monitor and measurement of the risk profile of the Company;
8. Overseeing development and implementation of risk measurement system;
9. Ensure that the Company has an appropriate and effective mechanism to identify, measure, control and monitor all applicable risks on a timely basis and as accurately as feasible; and

10. Perform such other act, including the acts and functions stipulated by the Act, the Reserve Bank of India and any other regulatory authority, as prescribed from time to time.
11. Consider any reporting by Risk Head or CRO, if appointed.
12. Oversee the effectiveness of the framework for Early Warning Signals ('EWS'). The Senior Management shall be responsible for implementation of a robust Framework for EWS within the company.

Meetings of the Committee:

During the year under review, this Committee has met 5 (Five) times on following dates:

Sl. No.	Date of Meeting
1.	28.05.2024
2.	28.06.2024
3.	09.08.2024
4.	07.11.2024
5.	06.02.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Madhusudan Ekambaram	09/03/2020	Chairman, Executive Director	5	4	1,47,13,075
2	Mr. Karthikeyan Krishnaswamy	09/03/2020	Member, Executive Director,	5	4	53,75,600
3	Mr. Vivek Veda	02/12/2019	Member, Executive Director	5	4	0
4	Mr. Abhishek Singhvi	09/02/2024	Member, Non - Executive Independent Director	5	4	0
5.	Mrs. Shashikala Ramachandra	19/07/2024	*Member, Non - Executive Independent Director	3	3	0

*Mrs. Shashikala Ramachandra, Independent Director of the Company was designated as a Chairperson of the Risk Management Committee in the place of Mr. Madhusudan Ekambaram on February 07, 2025

c. **Corporate Social Responsibility Committee**

The Company has constituted a well-qualified Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee of the Company comprises of three members of the Board with 2 Independent Directors. During the year under review, there were no changes in the constitution of the Committee.

Terms of reference of the Committee:

1. The Committee shall approve and recommend the projected annual action plan for CSR activities.
2. The Committee shall devise a transparent monitoring mechanism for various CSR projects/ programs/ activities to be undertaken by the Company.

Meetings of the Committee

During the year under review, the Corporate Social Responsibility Committee met 2 (Two) times on following dates:

Sl. No.	Date of Meeting
1.	13.08.2024
2.	06.02.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Vivek Veda	05/08/2019	Chairman, Executive Director	2	2	0
2	Mr. Adesh Kumar Gupta	09/03/2020	Member, Non-Executive Independent Director	2	2	0
3	Mr. Abhishek Singhvi	09/03/2020	Member, Non-Executive Independent Director	2	2	0

f. **Grievance Redressal Committee:**

The Grievance Redressal Committee is established by the Board of Directors of the Company to help the customer, resolve their complaints and to know how the agent persons speaks to customer for repayment, and to make sure that the customer grievances are very minimal and addressed properly. The Grievance Redressal Committee protect the Customers interest by establishing adequate safeguards and the committee members are responsible for Customer satisfaction, redressing their complaints and for adequate collection statistics.

Terms of Reference of the Committee:

1. To oversee & guide the implementation of service enhancement initiatives across the Company.
2. To ensure the correct tagging i.e. Query / Request / Complaints of the cases received by the company on a monthly basis.
3. To ensure all the cases are resolved with appropriate responses within the given TAT. In case of any breach of TAT, seek clarification and reason for such TAT breach.
4. To ensure that cases that are partially / wholly rejected and have been forwarded to IO for further review.
5. To review the monthly and quarterly MIS reports with root cause analysis of all grievances, along with presentation to the board.
6. Highlight anomalies if any are identified and provide necessary feedback to the senior management.
7. Meeting once every quarter to review customer complaints, regulatory mandates, policy decisions, and Company' s performance on initiatives to enhance customer experience.
8. Review the MIS on a quarterly basis and directing senior management for corrective measures.

Meetings of the Committee:

During the year under review, this Committee has met 5 (Five) times on following dates:

Sl. No.	Date of Meeting
1.	28.05.2024
2.	09.08.2024
3.	24.09.2024
4.	07.11.2024
5.	05.02.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Vivek Veda	12/11/2021	Chairman, Executive Director	5	5	0
2	Mr. Ajeet Kumar	02/12/2019 *(Ceased to be a Member w.e.f. 07.02.2025)*	Member	5	5	-
3	Mr. Sauraw Kumar	09/03/2020 *(Ceased to be a Member w.e.f. 07.02.2025)*	Member	5	5	-
4	Mr. Puneet Parihar	13/08/2021 *(Ceased to be a Member w.e.f. 07.02.2025)*	Member	5	4	-
5	Mr. Madhusudan Ekambaram	07/02/2025	Member, Executive Director	0	0	1,47,13,075
6	Mr. Karthikeyan Krishnaswamy	07/02/2025	Member, Executive Director	0	0	53,75,600

g. **Asset Liability Management Committee:**

The Company has constituted an Asset Liability Management Committee to monitor the asset liability gap and strategize action to mitigate the risks associated with the business of the Company. It undertakes reviews of the asset-liability profile of the Company with a view to manage the market exposure assumed by the Company, review and confirm periodic reports to be made to various regulatory authorities, deliberate on achieving optimal return on capital employed, review currency risk, market risk and liquidity risk management, interest rate risk and address concerns regarding exposure, if any. The constitution of the Committee is as per the RBI Master Direction.

Terms of Reference of the Committee:

1. Overseeing liquidity position of the company;
2. Consider any Credit rating updates for the company
3. Consider Statement of short-term dynamic liquidity to be filed to RBI
4. To review Policy on Asset Liability Management

Meetings of the Committee:

During the year under review, this Committee has met 4 (four) times on following dates:

Sl. No.	Date of Meeting
1.	29.05.2024
2.	13.08.2024
3.	08.11.2024
4.	06.02.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Vivek Veda	09/03/2020	Chairman, Executive Director	4	4	0
2	Mr. Abhishek Singhvi	09/03/2020	Member, Non-Executive Independent Director	4	3	0
3	Mr. Madhusudan Ekambaram	09/03/2020	Member, Executive Director	4	4	1,47,13,075
4	Mr. Adesh Kumar Gupta	09/03/2020	Member, Non-Executive Independent Director	4	4	0
5	Mr. Gopalakrishna Gurrappa	29/05/2023 *(Ceased to be a Member w.e.f. July 22, 2025)*	Member, Non-Executive Independent Director	1	1	0

h. **IT Strategy Committee:**

The Company has constituted a well-qualified IT Strategy Committee. The Composition of the Committee is as per the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices. The Committee comprise of 4 members. The Chairperson of the Committee is an Independent Director who has substantial IT expertise in managing/ guiding information technology initiatives. The Name of Member of the Committee are technically competent.

Terms of Reference of the Committee:

1. Ensure that the Company has put an effective IT strategic planning process in place;
2. Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives;
3. Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation;
4. Ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks;
5. Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the RE's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and
6. Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company.

Meetings of the Committee

During the year under review, the Committee met 4 (Four) times on following dates:

Sl. No.	Date of Meeting
1.	29.05.2024
2.	13.08.2024
3.	08.11.2024
4.	07.02.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Adesh Kumar Gupta	26/03/2024	Chairman, Non-Executive Independent Director	4	4	0
2	Mr. Abhishek Singhvi	26/03/2024	Member, Non-Executive Independent Director	4	3	0
3	Mr. Madhusudan Ekambaram	02/12/2019	Member, Executive Director	4	4	1,47,13,075
4	Mr. Karthikeyan Krishnaswamy	02/12/2019	Member, Executive Director	4	4	53,75,600

i. **IT Steering Committee:**

The Company has constituted a well-qualified IT Steering Committee. The Composition is in accordance with the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices ("RBI IT Direction") dated November 07, 2023. The Committee comprise of 4 members and the Chairperson of the Committee is Non – Executive Director.

IT Steering Committee established a) to provide oversight and monitoring of the progress of the project, including deliverables to be realized at each phase of the project and milestones to be reached according to the project timetable b) to evaluate and in certain instances, approve strategic plans, major programs/projects and establish priorities among competing requests for resources to ensure that everyone is aligned on those initiatives. c) to conduct formal periodic reviews of major initiatives, and operational service performance and d) to monitor timeliness, and identifying potential risk of the project.

Terms of Reference of the Committee:

1. Assist the IT Strategy Committee (ITSC) in strategic IT planning, oversight of IT performance, and aligning IT activities with business needs;
2. Oversee the processes put in place for business continuity and disaster recovery;
3. Ensure implementation of a robust IT architecture meeting statutory and regulatory compliance; and
4. Update ITSC and CEO periodically on the activities of IT Steering Committee.

Meetings of the Committee

During the year under review, this Committee met 4 (Four) time on the following dates:

Sl. No.	Date of Meeting
1.	28.05.2024
2.	09.08.2024
3.	07.11.2024
4.	05.02.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Ajeet Kumar	26/03/2024	Chairman, Chief Operating Officer	4	4	-
2	Mr. Ashwin Achutha Prabhu	26/03/2024	Member	4	4	-
3	Mr. Mukesh Kumar Solanki	26/03/2024	Member	4	4	-

j. **Information Security Committee**

During the year under review, the Board of Directors in their meeting held on March 26, 2024 constituted well qualified Information Security Committee for the purpose of managing cyber/information security under the oversight of IT Strategy Committee, in compliance with the requirement of Para 24 – 'Chapter IV- IT and Information Security Risk Management' of the Reserve Bank of India Guidelines on Information Technology Governance, Risk, Controls and Assurance practices vide RBI/2023-24/102 DoS.CO.CSITEG/SEC.1/31.01.015/2023-24 issued on November 7, 2023. The Committee comprise of 3 members with Chief Information Security Officer (CISO). The Committee meets on a quarterly basis.

Terms of reference of the Committee:

(i) Development of information/ cyber security policies, implementation of policies, standards and procedures to ensure that all identified risks are managed within the Company's risk appetite;
(ii) Approving and monitoring information security projects and security awareness initiatives.
(iii) Reviewing cyber incidents, information systems audit observations, monitoring and mitigation activities; and
(iv) Updating IT Strategy Committee and the CEO periodically on the activities of the Committee.

Meetings of the Committee

During the year under review, the Committee met 4 (Four) time on the following dates:

Sl. No.	Date of Meeting
1.	28.05.2024
2.	09.08.2024
3.	07.11.2024
4.	05.02.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

Sl. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Sidharth Vishwanathan	26/03/2024	Chairman, Chief Risk Officer	4	4	0
2	Satish Kumar Dwibhashi*	26/03/2024	Member, Chief Information Security Officer	4	4	0

3	Ashwin Achutha Prabhu	26/03/2024	Member, CIO	4	4	0

* Mr. Satish Kumar Dwibhashi, resigned from the post of Chief Information Security Officer (CISO) of the Company with effect from 09th April 2025. Further, Mr. Mukesh Kumar Solanki, has been appointed act as a successor to the role of Chief Information Security Officer (CISO) on an interim basis until the Company appoints a new CISO.

k. **Finance Committee (Formerly known as Board Committee (Borrowings):**

The Company has constituted the Finance Committee (Formerly known as Board Committee (Borrowings) to delegate the powers of borrowings in accordance with Section 179(3) of the Companies Act, 2013 on such conditions as prescribed by the Board to ease out the operational procedure for the company.

During the year under review, there were no changes in the constitution of the Committee.

Terms of reference of the Committee:

1. To borrow monies and to do all the related things to borrow money such as to borrow different types of loans, to approve the terms and interest rates and documentation needed to be considered for borrowing of loans.
2. To invest the funds of the company
3. To grant loans or give guarantee or provide security in respect of loans
4. To issue securities, including debentures whether in or outside India
5. For opening and operating of bank accounts in ordinary course of its business and deposits of money of the company.
6. To negotiate and accept any modifications, amendments and/or any additional terms and conditions in relation to the borrowing loans
7. To do such acts, deeds and things as may be necessary with respect to borrowing of different types of loans
8. To approve any revision/change in Co-Lending AUM Cap
9. To take all actions and to pass resolution in respect of hedging/treasury transactions and in respect of the aforesaid matters and to execute all agreements, deeds, documents, undertakings and other writings as may be necessary or required for the purposes aforesaid and to accept and execute any amendments or modifications to any agreements, deed, documents, undertakings and other writings, and/or give/issue/sign all such authorizations and to sign and issue all correspondence, approvals, certificates as and when necessary, incidental to or required in respect of the availment of the Loan from lenders.
10. To affix Common Seal of the Company to be affixed to the stamped engrossment(s) of the aforesaid agreements, deeds, documents or writings as may be required to be executed under the common seal in the presence of any one of the Directors of the Company, who shall sign the same in token thereof

Meetings of the Committee

During the year under review, the Committee met 13 (Thirteen) times, respectively on the following dates:

Sl. No.	Date of Meeting
1.	08.04.2024
2.	15.05.2024
3.	19.06.2024
4.	05.07.2024
5.	24.07.2024
6.	09.08.2024
7.	18.09.2024
8.	23.10.2024
9.	26.11.2024
10	16.12.2024
11.	29.01.2025
12.	24.02.2025
13.	20.03.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Vivek Veda	05/08/2019	Chairman, Executive Director	13	13	0
2	Mr. Madhusudan Ekambaram	05/08/2019	Member, Executive Director	13	11	1,47,13,075
3	Mr. Karthikeyan Krishnaswamy	05/08/2019	Member, Executive Director	13	13	53,75,600

I. **New Product Committee**

The Company have constituted well qualified New Product Committee for the purpose of identifying and analysing the level of Compliance risks in the existing and new products and processes and to put appropriate risk mitigants in place and all new products shall be subjected to intensive monitoring for at least the first six months of introduction to ensure that the indicative parameters of Compliance risk are adequately monitored. The composition of the Committee as per the requirement of RBI.

Terms of reference of the Committee:

1. Identifying the level of Compliance risks in the existing and new products and processes
2. To put appropriate risk mitigants in place
3. Monitoring all new products for at least the first six months of introduction to ensure that the indicative parameters of Compliance risk are adequately monitored

Meetings of the Committee

During the year under review, the Committee met 4 (Four) time on the following dates:

Sl. No.	Date of Meeting
1.	28.05.2024
2.	28.06.2024
3.	09.08.2024
4.	07.11.2024

Composition and Attendance

The Composition and other details of the Committee are as follows:

Sl. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Madhusudan Ekambaram-	11/08/2023	Chairman, Executive Director,	4	3	1,47,13,075
2	Ajeet Kumar	11/08/2023	Member	4	4	0
3	Vivek Veda	11/08/2023	Member, Executive Director	4	3	0

4	Sidharth Vishwanathan	11/08/2023	Member, Chief Risk Officer (w.e.f. 26.03.2024)	4	4	0
5	Puneet Parihar	11/08/2023	Member	4	3	0
6	Prince Kumar	11/08/2023	Member	4	4	0

m. **Privacy Committee**

The Company has duly constituted a Privacy Committee pursuant to the "Privacy Policy - Protection of Personal data of Aadhaar Holders" in compliance to the relevant provisions of the Aadhaar Act, 2016; the Aadhaar and Other Laws (Amendment) Act, 2019; the Aadhaar (Authentication) Regulations, 2016; the Aadhaar (Data Security) Regulations; the Aadhaar (Sharing of Information) Regulations, 2016; and the Information Technology Act, 2000 on 19th July, 2022. The Committee will provide strategic direction on Privacy matters and review and oversee the Privacy performance. The Committee will review on periodical basis the internal audit report submitted by Privacy Officer against compliance of Aadhaar Act 2016. During the year under review, there were no changes in the constitution of the Committee.

Terms of reference of the Committee:

1. The Committee will provide strategic direction on Privacy matters.
2. The Committee will review and oversee the Privacy performance.
3. The Committee will review on periodical basis the internal audit report submitted by Privacy Officer against compliance of Aadhaar Act 2016. in compliance to the relevant provisions of the Aadhaar Act, 2016; the Aadhaar and Other Laws (Amendment) Act, 2019; the Aadhaar (Authentication) Regulations, 2016; the Aadhaar (Data Security) Regulations; the Aadhaar (Sharing of Information) Regulations, 2016; and the Information Technology Act, 2000.

Meetings of the Committee

During the year under review, the Committee met 2 (Two) time on the following dates:

Sl. No.	Date of Meeting
1.	07.11.2024
2.	05.02.2025

Composition and Attendance

The Composition and other details of the Committee are as follows:

SL. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Karthikeyan Krishnaswamy	19/07/2022	Chairman, Executive Director,	2	2	53,75,600
2	Mr. Ashwin Prabhu	19/07/2022	Member, CIO	2	2	0
3	Mr. Puneet Parihar	19/07/2022	Member	2	0	0
4	Mr. Vivek Veda	19/07/2022	Member, Executive Director	2	2	0

n. **Committee for identification of non-cooperative borrowers:**

This Committee is established by the Board of Directors of the Company Pursuant to Paragraph 109 of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 and para 21 of the RBI Master Direction, issued by the Reserve Bank of India, for identifying and classifying the borrowers as non-cooperative. The Committee will determine and adopt the parameters for concluding whether a borrower is non- cooperative.

Terms of reference of the Committee:

1. The Committee will determine and adopt the parameters for concluding whether a borrower is non-cooperative
2. The Committee shall issue a Show Cause Notice to the concerned borrower (and the promoter/whole-time directors in case of companies) and call for explanation as the reasons for non-payment and why the borrower must not be classified as a non-cooperative borrower
3. The Committee will consider the submission of the non-cooperative borrower and issue an order recording the borrower to be non-cooperative and the reasons for the same
4. The Committee may provide an opportunity of being heard to the non-cooperative borrower
5. The Committee will review and take note of the CRILC returns

During the year under review, there were no changes in the constitution of the Committee & no meeting was held by the Identification of non-cooperative borrowers Committee.

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mr. Vivek Veda	13/08/2021	Chairman, Executive Director	0	0	0
2	Mr. Puneet Parihar	13/08/2021	Member	0	0	0
3	Mr. Ajeet Kumar	13/08/2021	Member	0	0	0

o. **Review Committee:**

The Company has constituted the Review Committee of the Company on 13th August, 2021 pursuant to Paragraph 109 of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 and issued by the Reserve Bank of India.

The Committee will review the order of the "Committee for Identification of Non-Cooperative Borrowers" (a Committee comprising Director and Senior Executives of the Company, the facts and record the fact of the Borrower being a Non-Co-operative Borrower) and confirm the same for the order to be considered final. The key role of this Committee will be to review the Order of the "Committee for Identification of Non-Co-operative Borrowers" (a Committee comprising Executive Director and Senior Executives of the Company the facts and record the fact of the Borrower being a Non-Co-operative Borrower) and confirm the same for the Order to be considered final.

During the year under review, no meeting was held by the Review Committee.

Composition and Attendance

The Composition and other details of the Committee are as follows:

Sl. No.	Name of Member of the Committee	Member of Committee	Capacity (i.e. Executive/ Non-	Number of Meetings of the Committee	No. of shares held in and

		since	Executive/ Chairman/ Promoter nominee/ Independent)	Held	Attended	convertible instruments held in the NBFC as on date
1	Mr. Vivek Veda	13/08/2021	Chairman, Executive Director	0	0	0
2	Mr. Abhishek Singhvi	13/08/2021	Member, Non-Executive Independent Director	0	0	0
3	Mrs. Shashikala Ramachandra	19/07/2024	Member, Non-Executive Independent Director	0	0	0

p. **Special Committee of the Board for Monitoring and Follow-up of cases of Frauds (SCBMF)**

The Company has constituted Special Committee of the Board for Monitoring and Follow-up of cases of Frauds ("Special Committee") pursuant to the provisions of para 2.3 of Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies), for the purpose of overseeing the effectiveness of the fraud risk management in the Company.

Terms of reference of the Committee:

1. The Committee shall oversee the effectiveness of the fraud risk management in the Company.
2. The Committee shall review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.

Meetings of the Committee

During the year under review, the Committee met 1 (One) time on the February 06, 2025.

Composition and Attendance

The Composition and other details of the Committee are as follows:

S. No.	Name of Member of the Committee	Member of Committee since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in and convertible instruments held in the NBFC as on date
				Held	Attended	
1	Mrs. Shashikala Ramachandra	13/08/2024	Chairperson, Non-Executive Independent Director	1	1	0
2	Abhishek Singhvi	13/08/2024	Member, Non- Executive Independent Director	1	1	0
3	Vivek Veda	13/08/2024	Member, Executive Director	1	1	0
4	Madhusudan Ekambaram	13/08/2024	Member, Executive Director	1	1	1,47,13,075

q. **Internal Complaint Committee**

The Company has constituted the Internal Complaint Committee of the Company pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Committee is committed to provide a safe and conducive work environment to its employees and has zero tolerance for any actions which may fall under the ambit of sexual harassment at the workplace. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Policy aims to promote a healthy work environment and provide protection to employees at the workplace and redress complaints of sexual harassment and related matters thereto. The Committee is responsible enquire into complaints, and to recommend appropriate action, wherever required in compliance with the provisions of the POSH Act.

During the year under review, no meeting held by the Internal Complaints Committee. The Composition of the Committee are as follows:

Sl. No.	Nam of Member of the Committee	Designation	Member of Committee since
1	Mrs. Ranu Khandelwal	Presiding Officer	09.02.2024
2	Mr. Puneet Parihar	Member	09.02.2024
3	Mr. Vijayendra R	Member	09.02.2024
4	Ms. Meghna Shah	Member	09.02.2024
5	Mrs. Anisha Jayaram	External Member	09.02.2024

Liquidation of the Finnov Private Limited (Holding Company)

During the Financial Year 2024-25, Finnov Private Limited (Holding Company) had made an application for voluntary winding up and pursuant the order passed by the official liquidator the Equity Shares of Company aggregating to 11,27,313 were successfully transferred to the shareholders of the Holding Company. Accordingly, the shareholder of the Holding Company became direct shareholders of the Company. As on date of the Board's Report, the Holding Company has cease to exit pursuant to the dissolution order.

Particulars of Senior Management of the Company

The Company in the meeting of Nomination & Remuneration Committee & the Board of Directors held on April 16, 2024 categorize the senior management of the Company which is given below:

Senior Management	Proposed Person	Department
Chief Risk Officer	Mr. Sidharth Vishwanathan	Risk
Chief Operating Officer (COO)	Mr. Ajeet Kumar	Operations
Chief Compliance Officer (CCO)	Mr. Prince Kumar	Compliance
Internal Auditor- (Head of Internal Audit)	Mr. Arpit Agarwal	Internal Audit
Chief Financial Officer (CFO)	Mr. Vivek Veda	Finance
Company Secretary (CS)	Ms. Pallavi Lingaraju	Secretarial
General Counsel	Mr. Puneet Parihar	Legal
Head of Debt Department	Ms. Ranu Khandelwal	Debt
Principal Officer	Mr. Aniket Ramesh Jagnade	KYC/ AML

III. REMUNERATION OF DIRECTORS

The Company has adopted Nomination & Remuneration Policy of Directors, Key Managerial Personnel and Senior Management which is also available on the website of the Company at https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/Nomination+and+Remuneration+Policy.pdf. The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the year under review. The Company only gives sitting fees to their Non – Executive Independent Directors.

The details of remuneration paid to Executive and Non-Executive Directors of the Company for the financial year 2024-25 are given below;

a) **Remuneration to Executive Director**

Name of the Director	Mr. Vivek Veda	Mr. Madhusudan Ekambaram	Mr. Karthikeyan Krishnaswamy
Salary	Rs. 105.08 Lakh	Rs. 87.82 Lakh	Rs. 69.63 Lakh
Bonus	Rs. 505 Lakh	Rs. 40 Lakh	Rs. 125 Lakh
Stock Option	NIL	47,114	12,231
Details of fixed component and performance linked incentive	-	-	-
Retirement Pension	-	-	-
Service contracts	-	-	-
Notice period	-	-	-
Severance fees	-	-	-
Others	-	-	-

* During the year under review the said stock option were granted.

b) **Remuneration to Non-Executive Director**

Amount in INR (In lakhs)

Non-Executive Directors	Commission	Sitting fees
Mr. Madhusudan Ekambaran	Nil	Nil
Mr. Karthikeyan Krishnaswamy	Nil	Nil
Mr. Adesh Kumar Gupta	Nil	21.50/-
Mr. Abhishek Singhvi	Nil	21.00/-
Mrs. Shashikala Ramachandra (w.e.f. July 19, 2024)	Nil	12.00/-
Mr. Gopalakrishna Gurrappa (Upto 22.2024)	Nil	6.00/-

IV. GENERAL BODY MEETINGS

a) **Annual General Meeting:**

Venue, date, day and time of the Annual General Meetings held during last 3 years are as follow:

Sl. No.	Year for which AGM held	Type of the meeting	Date & Place	Time	Special Resolutions passed
1.	2021-22	Annual General Meeting	**Date of Meeting:** 29.09.2022 **Place of Meeting:** Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	11.00 A.M	Nil
2.	2022-23	Annual General Meeting	**Date of Meeting:** 06.09.2023 **Place of Meeting:** Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	11.30 A.M	1. Alteration of Articles of Association of the Company
3.	2023-24	Annual General Meeting	**Date of Meeting:** 27.09.2024 **Place of Meeting:** Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	03:30 PM	Nil

During the year under review, the Company has not conducted General meeting through postal ballots.

b) Extra Ordinary General Meeting:

All the below meetings were held at the Registered office of the company at 3rd Floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017.

Details of Extra Ordinary General Meetings held in the Last 3 Years is as follows;

Sl. No.	Date of the Meeting	Place of meeting	Resolutions passed
1.	08.11.2022	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	Increase in the authorized share capital and consequential amendments to the Memorandum of Association of the Company.
2.	01.12.2022	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	Issuance of Non-Cumulative Series D Compulsorily Convertible Preference Shares on Preferential Basis via private placement.
3.	02.12.2022	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	Approval for alteration of Articles of Association of the Company
4.	05.01.2023	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	(i) Issuance of Non-Cumulative Series D Compulsorily Convertible Preference Shares on Preferential Basis via private placement. (ii) Approval of Krazybee Employee Stock Option Plan 2023.
5.	18.01.2023	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	Approval for alteration of Articles of Association of the Company
6.	30.03.2023	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	Authorisation for issuance of Debt Securities on Private Placement basis aggregating up to Rs. 1500 Crores proposed to be issued during the Financial Year 2023-24.
7.	24.11.2023	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	Issue of equity shares on preferential basis
8.	13.02.202	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	i. De-classification of promoters ii. Increase the pool size of employee stock option plan
9.	26.03.2024	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	i. Issuance of non-cumulative series d compulsorily convertible preference shares on preferential basis via private placement ii. Issuance of debt securities on private placement basis aggregating up to rs. 2500 crores proposed to be issued during the financial year 2024-25.
10.	18.04.2024	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	i. Grant of employee stock options to selected key employees as per the shareholders agreement dated January 5th, 2023 entered by the company ii. Approve ratification and continuation of mr. Vivek Veda as an executive director of the company iii. Approval for re-appointment of Mr. Adesh Kumar Gupta (DIN: 00020403) as independent directors of the company for the second term iv. Approval for re-appointment of Mr. Abhishek Singhvi (DIN: 07972535) as independent directors of the company for the second term

11.	19.07.2024	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	i. Approval to Enter Into Related Party Transaction During Fy 2024-25 ii. To Approve the Appointment Of Mrs. Shashikala Ramachandra (Din: 08087460) As A Woman Independent Director Of The Company
12.	30.08.2024	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	To Alter the Memorandum Of Association Of The Company To Obtain The Mutual Fund Distribution License
13.	28.03.2025	Registered office of the company at 3rd floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Muregshpalya, Bangalore - 560017	1. Issuance Of Debt Securities On Private Placement Basis Aggregating Up To Rs.2000 Crores Proposed To Be Issued During The Financial Year 2025-26. 2. To Approve Amended Krazybee Employee Stock Option Plan 2023 3. To Approve the Issue Of Bonus Equity Shares And Consequential Change To The Conversion Ratio Of Series D CCPS.

V. MEANS OF COMMUNICATION:

a) Financial Results

The quarterly, half-yearly and annual Financial Results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are submitted to BSE Limited within the prescribed timeline as mandated under the regulations issued by Securities and Exchange Board of India and published in the prescribed format within 48 hours of the conclusion of the meeting of the Board in which they are considered, in English newspaper circulating the whole or substantially the whole of India.

These results are simultaneously posted on the website of the Company at https://www.kbnbfc.in/investor-relations and uploaded on the website of the Stock Exchange(s), BSE Ltd.

The Company has no official news releases and has not made any presentations to institutional investors or to the analysts during the year.

b) Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Corporate Governance Report, Management Discussion & Analysis Report, and other relevant/important information is circulated to members and other relevant stakeholders.

c) E-mail IDs for Shareholders/Investors

Investors may send their query/feedback to secretarial@krazybee.com.

d) Newspapers: The Financial Results of the Company are published in nationwide circulated daily English newspapers.

e) Website Disclosure: The Website of the Company (https://www.kbnbfc.in/ is regularly updated to provide further ease of access to the requisite information prescribed under various provisions of the Act and the Listing Regulations.

VI. GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting

Day and Date: Friday and September 26, 2025,
Time: 03.00 P.M.
Venue: Annual General Meeting is scheduled to be held at its Registered Office Situated at 1st Floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Murgeshpalya, Bangalore 560017

b) **Financial Calendar**

Financial year of the Company is from April 1 to March 31.

c) **Dividend Payment Date**

During the year under review, the Company has not declared any Dividend to the Shareholders of the Company.

d) **The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)**

The Non-Convertible Debentures, Commercial Papers and Pass Through Certificates (PTCs) of the Company are listed with BSE Limited, Phiroze Jeejeebhoy Towers, 18th & 19th Floor, Dalal St, Fort, Mumbai, Maharashtra 400001 and the listing fee has been paid for the financial year 2025-26.

The Company has confirmed that the Company has paid the Annual Listing fee to the BSE Limited.

e) **Stock Code (BSE Limited):** The equity shares of the Company are not listed on the Stock Exchange; hence the Stock code is not applicable.

f) **Market price data and performance in comparison to broad-based indices such as BSE Sensex, CRISIL, Index etc.** – Not applicable, as the equity shares of the Company are not listed.

g) **In case the securities are suspended from trading, the directors report shall explain the reason thereof:**

During FY 2024-25, debt listed securities of the Company were not suspended from trading except due to operational reasons, on account of delisting of respective ISINs post maturity etc, from time to time.

h) **Registrar to an issue and share transfer agents:**

NSDL Database Management Limited
4th Floor, "A" Wing, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower parel, Mumbai – 400013

i) **Share Transfer System** – The shares of the Company are not listed on the stock exchanges. The Company has its internal compliance team to handle any share transfer requests.

j) **Depositories Connectivity**

1. National Securities Depository Limited (NSDL)
2. Central Depository Services Limited (CDSL)

The Custodian fees has been duly paid to NSDL and CDSL for the financial year 2024-25.

k) **Distribution of Shareholding**

Equity Shares*

	As on March 31, 2025		As on August 13, 2025	
Shareholders Category	**No. of Equity Shares Held**	**% of Total Equity Shares Held**	**No. of Equity Shares Held**	**% of Total Equity Shares Held**
Promoter & Promoter Group **a) Indian**	-	-	-	-
b) Foreign	-	-	-	-
Sub- Total (A)	-	-	-	-

Public Shareholding **1. Institutions**	-	-	-	-
2. Non- Institutions	-	-	-	-
a. Bodies Corporate	3,55,090	31.50%	7,18,48,525	31.56%
b. Individuals	1,16,323	10.32%	2,16,03,545	9.49%
c. Others	6,55,901	58.18%	13,41,75,930	58.95%
d. NRI	-	-	-	-
Sub- Total (B)	11,27,314	100%	22,76,28,000	100%
Shares held by Custodian & against which Depository Receipts have been issued **a. Promoter and Promoter Group**	-	-	-	-
b. Public	-	-	-	-
Sub- Total (C)	-	-	-	-
Grand Total (A)+(B)+(C)	**11,27,314**	**100.0000**	**22,76,28,000**	**100%**

During the FY 24-25, the shares of Finnov Private Limited i.e 11,27,313 Shares transferred to the shareholders of the Company liquidation of Finnov Private Limited and the Company has completed the process.

Compulsorily Convertible Preference Shares (CCPS)

Shareholders Category	No. of Preference Shares Held	% of Total Preference Shares Held
Promoter & Promoter Group a)Indian	-	-
b) Foreign	-	-
Sub- Total	-	-
1. Public Shareholding **Institutions**		
2. Non- Institutions		
a. Bodies Corporate	3,10,678	65.01%
b. Individuals	-	-
c. Others	1,67,188	34.99%
d. NRI	-	-
Sub- Total (B)	**4,77,866**	**100**
Shares held by Custodian & against which Depository Receipts have been issued Promoter and Promoter Group	-	-
Public	-	-
Sub- Total (C)	-	-
Grand Total (A)+(B)+(C)	**4,77,866**	**100**

l) Dematerialization of shares and liquidity

The total Share capital of the Company was held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited

m) Outstanding GDRs/ ADRs/Warrants or conversion Instruments, conversion date and likely impact on equity:

Series D Compulsorily Convertible Preference Shares	**No. of Preference Shares Held**
Number of Series D Compulsorily Convertible Preference shares issued & allotted by the Company	4,77,866

Paid up capital of Series D Compulsorily Convertible Preference shares	INR. 860,15,88,000
The conversion of Series D Compulsorily Convertible Preference shares into equity shares	The holders of Series D Compulsorily Convertible Preference shares in whole or part into equity shares in a 200:1 ratio. *The Company has changed the Conversion ratio from the existing ratio of 1:1 to 200:1 w.e.f 28.03.2025*

k) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company has not dealt in Commodity Hedging activities therefore not threatened by any Commodity Price Risk.

l) Plant Locations

Not applicable, since the Company is Non-Banking Financial Company.

m) Address for Correspondence:

Corporate Office / Registered Office

Krazybee Services Private Limited
3rd Floor, No. 128/9, Maruthi Sapphire, HAL Airport Road,
Murgesh Palya, Bangalore – 560017

n) Credit Rating along with any revisions thereto (FY: 2024-25):

The Company has issued debt instruments therefore the company has obtained Credit Ratings from CRISIL Ratings Limited & CARE Ratings Limited.

During the year under review, the rating issued by Acuite Ratings & Research Limited was upgraded from "ACUITE A-" to "ACUITE A". CRISIL Ratings Limited and CARE Ratings Limited have also upgraded the ratings in July 2025.

The detailed list of all the credit ratings obtained are given below:

Credit Rating Agency	Programme	Ratings Assigned as on March 31, 2025	Upgrade in Ratings, if any
Acuite Ratings & Research Limited	Bank Loan Ratings	Acuite A/ Stable	Upgraded from ACUITE A- to **ACUITE A** on October 09, 2024
	Non-Convertible Debentures	Acuite A/ Stable	Upgraded from ACUITE A- to **ACUITE A** on October 09, 2024
CRISIL Ratings Limited	Non-Convertible Debentures	CRISIL A-/Stable	Upgraded from CRISIL A- to **CRISIL A** on July 01, 2025
	Bank Loans	CRISIL A-/Stable	Upgraded from CRISIL A- to **CRISIL A** on July 01, 2025
	Commercial Paper	CRISIL A1	-
CARE Ratings Limited	Non-Convertible Debentures	CARE A-/ Stable	Upgraded from CARE A- to **CARE A** on July 09, 2025
	Bank Loans	CARE A-/ Stable	Upgraded from CARE A- to **CARE A** on July 09, 2025
	Commercial Paper	CARE A1	-

VII. OTHER DISCLOSURES:

a) Materially significant related party transactions that may have potential conflict with the interests of the entity at large and web link where policy on dealing with related party transactions:

There are no materially significant related party transactions made by the Company with the related parties which may have potential conflict with the interest of the Company at large. The details of transactions with related parties are provided in the Company's financial statements in accordance with the Accounting Standards. The details of related party transactions are disclosed in Note no. 38 attached to and forming part of the accounts.

The Related Party Transaction Policy is posted on the website of the Company viz., to be updated once the updated RPT Policy is uploaded on the website https://www.kbnbfc.in/investor-relations.

b) **Details of non-compliance, penalties, strictures imposed by stock exchange(s) or RBI or the board or any statutory authority, on any matter related to capital markets, during the last three years:**

(i) BSE Limited ("BSE") vide its mail dated May 03, 2024 has imposed a penalty of Rs. 10,000 on the Company for delay in furnishing intimation about Record date of the security pursuant to Regulation 60(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Subsequently, the Company has paid the penalty.

c) **Details of establishment of Vigil Mechanism/ Whistle Blower Policy, and affirmation that no personnel has been denied access to the audit committee:**

In line with the best Corporate Governance practices, the Company has put in place a system through which the Directors and employees may report concerns about unethical behavior, discrimination, harassment, victimization, unfair unemployment practice and actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Company has put in place a process by which employees and others have direct access to the Chairman of the Audit Committee and none of the Company's personnel have denied access to the Audit Committee.

d) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

All mandatory requirements relating to corporate governance under the SEBI Listing Regulations, as applicable to the Company as a debt-listed entity have been appropriately complied.

e) **Web link where policy for determining 'material' subsidiaries is disclosed:** Company does not have any Subsidiary

f) **Web link where policy on dealing with related party transactions:** https://www.kbnbfc.in/

g) **Disclosure of commodity price risks and commodity hedging activities:** Not Applicable

h) **Details of utilization of funds raised through preferential allotment or qualified institutions placement:** Not Applicable

i) **Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority:** The Company has received a certificate from G Akshay & Associates to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by SEBI/ Ministry of Corporate Affairs or such other statutory authority. The said certificate has been enclosed with this annual report

j) **Non-Acceptance of recommendation of any Committee of the Board which is mandatorily required:** During the year under review, the Board has accepted all the recommendations given by the Committees of the Company.

k) **Fees paid to Statutory Auditors:** The same is disclosed in Note No. 31 of Financial Statement for the year ended March 31, 2025

l) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and**

Redressal) Act, 2013: The required disclosures forms part of the Board's report.

m) **Disclosure by listed entity and its subsidiary of Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:** Not Applicable

n) **Details of material subsidiaries:** The Company does not have any Subsidiaries.

o) **Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed:** The Company is a High Value Debt Listed entity (HVDLE) as per the SEBI Listing regulations, accordingly, the Company has complied with applicable provisions to the extent possible.

p) **Details of non-compliance with requirements of Companies Act, 2013**

The Company has been in compliance with Companies Act, 2013 and rules made thereunder along with the Secretarial Standards issued by the issued by the Institute of Company Secretaries of India. There have been no such penalties levied on the Company during the financial year ended 31 March 2025.

q) **Breach of Covenant**

No covenants have been breached during the year.

r) **Divergence in Asset Classification and Provisioning**

The Company asset classification policy is in accordance with RBI's asset classification norms.

Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management – The Company has adopted Code of Conduct of Board of Directors and Senior Management on August 13, 202. In this regard, the Company has obtained the required disclosures from the Board of Directors and Senior Management for the compliance of the same. The Declaration signed by the Chief Executive Officer of the Company forms part of this report.

Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report – The Compliance Certificate received from G Akshay & Associates forms part of this report.

Disclosures with respect to Demat suspense account/ unclaimed suspense account – Not Applicable

Certificate from CEO & CFO: Pursuant to the provisions of Regulation 17 (8) & Regulation 62D (14) of SEBI Listing Regulations, the Certificate signed by the Chief Executive Officer & Chief Financial Officer of the Company forms part of this report.

Discretionary Requirements (under Part E of Schedule II):

i. Reporting of internal auditor: Internal Auditor reports to the Audit Committee of the Company.

ii. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.: The Company is a High Value Debt Listed Entity ('HVDLE) as per the provisions of SEBI Listing regulations. The relevant disclosures are made in this report. The Company has been submitting the quarterly governance compliance report to the Stock Exchange as required under Regulation 27(2) & Regulation 62Q of the SEBI Listing Regulations which covers the necessary disclosures.

VIII. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members, senior management and employees of the Company.

The Code covers amongst other things the Company's commitment to honest & ethical personal conduct, fair competition, transparency and compliance of laws & regulations etc. The said Code also suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013.

For and on behalf of the Board of Directors of
Krazybee Services Private Limited

Vivek Veda
Director
DIN: 07560229
Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glay Layout, Bangalore, Karnataka, India-560103

Karthikeyan Krishnaswamy
Director
DIN: 07449376
K-701, SNN Raj Lake View Apts,29th Main Road, NS Palya Main Road, BTM Layout Bengaluru, Karnataka India-560076

Place: Bangalore
Date: August 13, 2025

GAACER/641308/202526

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Company : **Krazybee Services Private Limited**
Corporate Identification Number : **U65100KA2016PTC086990**

I, Akshay G, Company Secretary in whole time practice, bearing Fellow Membership Number 10967, Certificate of Practice Number 15584, having office at #615/22, IV Cross, Raghavendra Colony, Bilekahalli, Behind IIMB, Bannerughatta Road, Bengaluru – 560076, Karnataka, India, having obtained the relevant information from **Krazybee Services Private Limited** (herein after referred as the Company), bearing Corporate Identification Number: U65100KA2016PTC086990, having registered office at, 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore - 560017, Karnataka, India, hereby state the following:

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Company, produced before me by the Company for the purpose of issuing this Certificate pursuant to Regulation 53(1) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

Sr. No.	Name	Designation	DIN	Date of appointment
1	Mr. Madhusudan Ekambaram	Director & CEO	07442577	16/03/2016
2	Mr. Karthikeyan Krishnaswamy	Director	07449376	16/03/2016
3	Mr. Vivek Veda	Director & CFO	07560229	26/07/2016
4	Mr. Abhishek Singhvi	Independent Director	07972535	28/05/2019
5	Mr. Adesh Kumar Gupta	Independent Director	00020403	28/05/2019
6	Mrs. Shashikala Ramachandra	Independent Director	08087460	19/07/2024

G AKSHAY & ASSOCIATES COMPANY SECRETARIES BANGALORE

Ensuring the eligibility of the appointment or for continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Thanking you,
Yours faithfully,

Place: Bengaluru
Date: 13.08.2025

G AKSHAY & ASSOCIATES
COMPANY SECRETARIES
BANGALORE

G Akshay & Associates
Practicing Company Secretary
FCS No. F10967
C.P. No. 15584
UDIN: F010967G001004267
Peer Review Certificate No.1607/2021

G Akshay & Associates
Practising Company Secretaries
akshay@gakshayassociates.com
080-28533286

Address:
No. 615/22, 4th Cross,
Raghavendra Colony, BG
Road, Bengaluru, 560076

GAACER/ 631308 /202526

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Regulation 53(1) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Company	:	**Krazybee Services Private Limited**
Corporate Identification Number	:	**U65100KA2016PTC086990**

I, Akshay G, Company Secretary in whole time practice, bearing Fellow Membership Number 10967, Certificate of Practice Number 15584, having office at #615/22, IV Cross, Raghavendra Colony, Bilekahalli, Behind IIMB, Bannerughatta Road, Bengaluru – 560076, Karnataka, India, having obtained the relevant information from **Krazybee Services Private Limited** (herein after referred as the Company), bearing Corporate Identification Number: **U65100KA2016PTC086990,** having registered office at, 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore - 560017, Karnataka, India, hereby state the following:

We have examined the compliance of conditions of Corporate Governance by **Krazybee Services Private Limited** (**'the Company'**) for the year ended 31st March 2025, Regulations 17 to 27 of Chapter IV and Regulations 62B to 62Q of Chapter VA (vide notification dated 27th March, 2025, the 'high value debt listed entities' shall be determined on basis of value of principal outstanding of listed debt securities as on 31st March, 2025) read with para C and D of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("the SEBI LODR Regulations"). In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, Regulation 62 and paragraphs C of Schedule V of LODR.

We further state that the compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Thanking you,
Yours faithfully,

Place: Bengaluru
Date: 13.08.2025

G Akshay & Associates
Practicing Company Secretary
FCS No. F10967
C.P. No. 15584
UDIN: F010967G001004135
Peer Review Certificate No.1607/2021

NOMINATION AND REMUNERATION POLICY
KRAZYBEE SERVICES PRIVATE LIMITED

Version	Approval/Revision Date	Review Date	Approved/Reviewed by	Review frequency	Next Review date
V1	2nd June 2017		Respective committee and/or Board of Directors	Annually or as and when required	On or before 13th August 2026
V2	9th March 2020				
V3	23rd March 2021				
V4	15th March 2023				
		26th March, 2024			
		29th May 2024			
V5	7th February 2025				
V6	13th August 2025				

Contents

1. Background

This Policy on Nomination and Remuneration ("**Policy**") of Directors, Key Managerial Personnel and Senior Management has been formulated, approved and adopted by the Nomination and Remuneration Committee (**NRC**) and Board of Directors ("**Board**") of KrazyBee Services Private Limited ("**Company**"). The provisions of the Policy are in accordance with the applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("**Listing Regulations**") and the Master Direction on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India ("**RBI**"), as amended from time to time, read along with other circulars and directions issued by the RBI from time to time, including the RBI Scale Based Regulatory Framework for NBFCs and the RBI Circular dealing with 'Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs' dated April 29, 2022 ("**RBI Compensation Guidelines**") and Regulation 62G of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI (LODR) Regulations, 2015**").

Further, section 134 of the Companies Act, 2013, stipulates that the Board Report is required to include the Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and remuneration for KMP and other employees.

2. Objective

The objective of this Policy is to –

2.1. Oversee the nomination process and lay down criteria for determining qualifications, positive attributes and independence of a director and terms and conditions with regard to identification of persons who are qualified to become Directors (executive, non- executive and Independent) and lay down criteria for persons who may be appointed in Senior Management and Key Managerial positions, with appropriate compensation.

2.2. To evaluate the performance of the members of the Board including Independent Directors.

2.3. Ensure that remuneration paid is competitive, enabling the Company to attract and retain employees capable of meeting the Company's needs and service delivery obligations;

2.4. Ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

2.5. Ensure the remuneration to the Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

2.6. To establish and review succession plans of the Board of Directors of the Company ("**Board**"), KMP and Senior Management;

2.7. Motivate and retain talented managerial personnel and create competitive advantage in compensation practices for retaining employees to ensure long term sustainability of talented managerial persons and create competitive advantage.

3. Definitions:

3.1. "Applicable Laws" shall mean Companies Act, 2013, SEBI Listing Regulations, RBI Regulations and all other laws, statutes, rules, regulations, ordinances, notifications, circulars, guidelines, directions, judgments, decrees or orders, as amended from time to time, issued by any government authority, regulatory body, judicial or quasi-judicial authority, tribunal or other competent authority in India or any other relevant jurisdiction, which are applicable to the Company, its business, operations, employees, or to the subject matter covered under this Policy.

3.2. "**Act**" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

3.3. **"Clawback"** arrangement means the process of the Company in which the employee agrees to return previously paid compensation attributable to a given reference year in which a Cause Action has occurred. The return would be in terms of net amount received by such employee.

3.4. "**Cause Action**" means fraud, willful disobedience or gross negligence by an employee.

3.5. **"Malus"** arrangement permits the Company to prevent future payouts in the form of performance pay in case of a Cause Action but does not reverse payout already made to the employee.

3.6. "**Key Managerial Personnel**" (KMP) means

- 3.6.1. Managing Director, or Chief Executive Officer or Manager;
- 3.6.2. Chief Financial Officer;
- 3.6.3. Company Secretary;
- 3.6.4. Whole-time Director;
- 3.6.5. such other officers not more than one level below the directors who are in whole-time employment in the Company, designated as KMP by the Board of the Company; and
- 3.6.6. such other officer as may be prescribed by the MCA, RBI or any other authority having jurisdiction over the Company under applicable laws.

3.7. **"senior management"** shall mean the officers and personnel of the company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the company

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 or under SEBI (LODR) Regulations, 2015 or applicable laws, as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. Composition Governance:

4.1. Constitution of Nomination and Remuneration Committee: The composition of the Committee shall follow the provisions of Section 178 of the Act and Regulation 62G of the SEBI Regulations. The Committee shall comprise of at least three Non-executive Directors, with at least 2/3rd forming Independent Directors.

4.2. The Chairperson of the NRC will be an Independent Director and the Chairperson of the Board (executive or non-executive) may be a member of the NRC but will not be chairperson of the Committee.

4.3. The Company Secretary of the Company shall act as Secretary of the Committee.

5. Role of NRC:

The NRC shall have the following responsibilities under this Policy:

5.1. Identify persons who are qualified to become Directors and who may be appointed in Senior Management and recommend to the Board their appointment and/or removal;

5.2. Ensure 'fit and proper' status of proposed/ existing directors and that there is no conflict of interest in appointment of directors on the Board of the Company, KMPs and Senior Management.

5.3. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;

5.4. Specify the manner for effective evaluation of the Board, its Committees and individual Directors;

5.5. Carry out evaluation of every Director's performance and formulate the succession plan;

5.6. Recommend a process for determination of the remuneration including any compensation and related payments of the Directors, Key Managerial Personnel and other employees;

5.7. Devising a policy on diversity of board of directors

5.8. Ensure that compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP).

5.9. Carry out such other activity as may be delegated by the Board from time to time or required by Applicable Law or considered appropriate in view of the general terms of reference and the functions of the NRC.

5.10. The NRC shall work in close coordination with the Risk Management Committee (RMC) of the Company to achieve effective alignment between compensation and risks.

Appointment and Removal of Director, KMP and Senior Management

6. Appointment Criteria and Qualifications

6.1. A person proposed to be appointed as a Director, KMP or in Senior Management should possess adequate qualification, expertise and experience, as may be required, for the position he / she is being considered for appointment.

6.2. The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP or in Senior Management and recommend to the Board his / her appointment.

6.3. Appointment of all Directors shall be subject to the provisions of Applicable Laws.

6.4. The Company shall not appoint or continue the employment of any person as Managing Director, who is below the age of twenty-one years or has attained the age of seventy years, provided that the term of the person holding such position may be extended beyond the age of seventy years by adhering to procedure and requirements specified under the applicable provisions of law.

6.5. No HVDLE shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

6.6. The NRC shall ensure adherence to the requirements of the relevant circular/ notification issued by the RBI with respect to the "Fit & Proper Criteria", as amended from time to time, in relation to Directors of the Company at the time of appointment and on a continuing basis.

6.7. At least one of the directors shall have relevant experience of having worked in a bank/ Non- Banking Financial Company.

7. Independent Director:

7.1. **Qualifications of Independent Director**: A person proposed to be appointed as an Independent Director shall be qualified to be appointed as such in accordance with the applicable provisions of law and possess appropriate skills, experience and knowledge in one or more fields of Finance, Law, Management, Sales, Marketing, Administration, Research, Corporate Governance, Operations or other disciplines related to the business of the Company.

7.2. **Positive attributes of Independent Directors**: An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

7.3. Further, the Independent Director shall not be on the Board of more than three NBFCs (NBFC- ML or NBFC-UL) at the same time.

8. Tenure of appointment

8.1. The Company may appoint or re-appoint any person as its Managing Director/ WTD for a term not exceeding five (5) years at a time. Further, the term of appointment may be liable to retire by rotation, in accordance with the Applicable Laws.

8.2. An Independent Director shall hold office for such term as the Board may decide subject to maximum term up to five (5) consecutive years on the Board of the Company and will be eligible for re-appointment as per the criteria laid down by the regulations as amended from time to time, subject to a maximum of two consecutive terms.

All the director serving on the board of directors of the Company shall be subject to the approval of the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be.

9. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations, or breach of the prevailing HR policies of the Company, the NRC may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to compliance with the applicable regulations.

10. Retirement

10.1. The Director, KMP and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to compliance with the applicable provisions of law, if any, from time to time and as per prevailing HR Policies of the Company.

Remuneration

11. Executive Directors (Managing Director, Manager or Whole-time Director)

11.1. At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company and the appointee within the overall limits prescribed under the Companies Act, 2013,SEBI Listing Regulations and in line with this Policy and the RBI Compensation Guidelines;

11.2. The remuneration shall be subject to the approval of the Members of the Company .in General Meeting and in accordance with the provisions of the Applicable Laws;

11.3. The remuneration of the Executive Directors is broadly divided into fixed and variable pay.

11.4. NRC to evaluate the performance of Executive Directors and fix the remuneration of all the Executive Directors.

12. Non-Executive Director:

12.1. The Non-Executive/ Independent Director may receive fees for attending meetings of the Board or Committee thereof, not exceeding Rupees One Lac per meeting of the Board or Committee.

12.2. A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of NRC and in accordance with the provisions of the Applicable Laws;

12.3. NRC may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board.

12.4. In determining the quantum of commission payable to the Directors, NRC shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director. The commission shall be payable on a pro-rata basis to those Directors who occupy office for a part of the year.

13. KMP & Senior Managerial Personnel

13.1. Principles for Determination of Compensation for KMPs and Senior Management

13.1.1. The remuneration / compensation / commission etc. to the KMP and Senior Management will be determined and approved by the management.

13.1.2. While approving the remuneration of the Key Managerial Personnel and Senior Management of the Company, management will consider maintaining a balance between short and long-term performance objectives appropriate to the working of the Company.

13.1.3. Management shall consider and determine that the compensation or remuneration is reasonable and sufficient to attract, retain and motivate KMP and Senior Management.

13.1.4. The NRC may consider and recommend deferment of the Variable Pay payable to the KMP and Senior Management in respect of a financial year. In such case, the recommendation shall be put for consideration and prior approval of the Board along with the reasons justifying the deferment and deferral period of the Variable Pay.

13.1.5. In the case of personnel engaged in financial control, risk management, internal audit, legal and compliance, the management should ensure that such functions are independent of the business areas that they oversee. In such cases, the management may provide for a higher ratio of fixed pay compared to the variable pay component.

13.1.6. In no case shall any guaranteed bonus be paid to KMP or Senior Management Personnel except in the context of new hiring or sign-on bonus. Such bonuses will not be considered as a part to fixed or variable pay.

13.1.7. The management may include provisions with regard to malus and clawback as recommended in the RBI Compensation Guidelines in the compensation package subject to any applicable laws in force.

Compensation Structure

13.1.8. **Total Fixed Pay (TFP)**

All the fixed elements of compensation, including the perquisites and contributions towards superannuation/retiral benefits, as reflected in the offer letter of the employee will be treated as part of fixed pay. All perquisites that are reimbursable may also be included in the fixed pay so long as there are monetary ceilings on these reimbursements.

13.1.9. **Variable Pay (VP)**

The variable pay shall be in the form of cash bonus and in commensuration with the role and prudent risk-taking profile of KMPs / senior management. The determination and payout of the variable pay payable shall be based on the factors as determined by the NRC. Except as may be approved by the NRC and the Board, the variable pay will not exceed 3 times the Total Fixed pay.

13.1.10. **Other Benefits**

The benefits may include statutory and other benefits such as health, medical insurance, accident and life insurance based on experience and levels as defined by the company.

14. Compensation for KMPs and Senior Management in Control and Assurance functions

KMPs and Senior Management engaged in financial control, risk management, compliance and internal audit will be compensated in a manner that is independent of the business areas they oversee and commensurate with their role in the Company.

15. Grant of ESOPs

The Executive Directors, Non-Executive Directors, KMPs, Senior Management, other employees of the Company, subsidiary (ies) & holding company shall be eligible for ESOPs of the Company, subject to the applicable provisions of law. The Independent Directors of the Company shall not be eligible for the ESOPs of the Company.

16. Evaluation

16.1. The NRC / Board shall carry out evaluation of performance of every Director on a yearly basis.

16.2. The Committee shall advise the process to carry out evaluation of performance of every Director yearly.

16.3. Performance evaluation of the KMP & SMP shall be carried out by their respective reporting Executives and Functional Heads, based on the company, individual and business performance and subject to the approval of the management.

16.4. **Implementation of Malus and Clawback Framework**

16.4.1. This Implementation of Malus and Clawback Framework will be binding on all KMPs and Senior Management covered under the purview of this Policy and terms of their compensation shall automatically stand revised in accordance with this Policy as amended from time to time.

16.4.2. The Management /NRC shall review the Cause Action to ascertain the degree of accountability attributable to the concerned KMPs /Senior Management and may even decide not to add any Malus and/or Clawback provisions, part or all the unvested/vested deferred Variable Pay based on the outcome of the evaluation.

16.4.3. The provision relating to Malus would entail forfeiture of full or part of the unvested/unpaid part of the Variable Pay, attributable to the reference financial year wherein the incident has occurred.

1.1.1. In case of any amount payable by the KMP or the Senior Management employee, The Company will have a right to set off the amount payable by such KMP / Senior Management employee against any amount receivable from the concerned KMP / Senior Management employee.

17. REVIEW AND AMENDMENT

17.1. This Policy will be reviewed on an annual basis by the Management. If there is any change to the policy, then the Management will seek Board approval.

17.2. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.

17.3. This Policy may be amended or substituted by the NRC or by the Board as and when required where there are any regulatory/ statutory changes necessitating the change in the Policy.

17.4. Any matters not provided for in this Policy shall be handled in accordance with applicable laws, regulations and the Company's Articles of Association.

17.5. In case any provision of this Policy is contrary to or inconsistent with the provisions of the Act, SEBI Listing Regulations and/ or any other applicable law for time being in force, the latter shall prevail.

Annexure A

Succession Plan

Framework on Succession Planning: The framework in relation to identification and implementation of succession planning in respect of the Identified Persons. Under the framework, the following officers have been identified as a part of succession planning who are collectively known as "Identified Persons":

(i.) Directors of the Company of including the Independent Directors;

(ii.) Key Managerial Personnel

a) Chief Executive Officer (CEO);

b) Chief Financial Officer (CFO);

c) Company Secretary

(iii.) Senior Managerial Personnel

a) Chief Operating Officer (COO);

b) Chief Technology Officer (CTO);

c) Chief Risk Officer (CRO);

d) Chief Compliance Officer (CCO).

e) Chief Information Security Officer (CISO).

f) General Counsel

g) Head of Debt Department

h) Head of Internal Audit

i) Principal Officer

(iv.) Such other person as identified by the Nomination and Remuneration Committee and Board of Directors

A. Framework on Succession Planning

1. Background

Pursuant to section 178 of the Companies Act, 2013 ("Companies Act") read with the Regulation 62D (9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to develop a succession plan for the Identified Persons (as specified in Para 3) and the implementation of the same will be entrusted to the Nomination and Remuneration Committee ("NRC") under the Nomination and Remuneration Policy.

2. Objective

2.1. A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with talents. The Company recognizes the importance of the process to Succession Planning to provide for continuity in the smooth functioning of the organization.

2.2. Therefore, the objective of the succession planning program shall, inter-alia, include the following:

2.2.1. To identify and nominate suitable candidates (including Nomination and Remuneration Committee) to fill the vacancies which arises in respect of an Identified Persons from time to time.

2.2.2. To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.

2.2.3. To ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to deaths, disabilities, retirements and another unexpected occurrence.

3. Applicability of the framework:

3.1. This Framework on Succession Planning for the Company (hereinafter referred to as the "Framework") shall be applicable for succession planning on all Identified Person.

3.2. The NRC shall oversee and review succession plans from time to time and recommend the same to the Company

4. Succession Plan for the Identified Persons:

4.1. The NRC shall apply a due diligence process to determine the suitability of every person who is being considered for being appointed or re-appointed (in case of a director) as an Identified Person based on his educational qualification, experience & track record, and every such person shall meet the 'fit and proper' criteria as Reserve Company of India may stipulate from time to time and accordingly any appointment or re-appointment (in case of a director) of an Identified Person shall be subject to prior approval by NRC.

4.2. The Company shall strive to fill such vacancy from within internal modes through elevation or otherwise subject to availability and in case no suitable candidate is available to fill the position, external candidates shall be considered.

4.3. The prevailing HR standards for promotions / transfers shall be designed in such a way that the existing / proposed senior managerial personnel shall get all-round exposure in various domains to facilitate career progression, prepare them for administrative responsibilities for discharging their functions effectively. Every member of the senior management team shall always endeavour to add capability inhouse and mentor officials with potential working under him to handle his responsibility in his absence by exposing him to all aspects of work being handled by him. In the event of any unexpected occurrence in respect of any member in the core management team, the next person as per the organization chart shall take interim charge of the position, pending a regular appointment in terms of the succession plan.

4.4. Where it is decided to appoint an external candidate, timely and planned steps shall be taken for selection of a suitable candidate so that the appointment is made well before the retirement/relieving of the concerned officer to ensure the smooth transition.

4.5. The Identified Person shall from time to time identify high-potential employees who merit faster career progression to position of higher responsibility and formulate, administer, monitor & review the process of skill development and identify the training requirements.

4.6. Every member of the senior management team, including the Identified Persons shall always endeavour to add capability in-house and mentor officials with potential working under him to handle his responsibility in his absence by exposing him to all aspects of work being handled by him.

5. Review of the Framework:

In case of any amendment (s), clarification (s), circular (s) etc. issued by the regulatory authorities, not being consistent with the provisions laid down under this Framework, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions in this Framework and this Framework shall stand amended accordingly, subject to the prior / post- facto approval of the NRC and the Company may replace / amend this Framework with a new framework/ policy on recommendation by the NRC.

"Annexure III"

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 the Companies Act, 2013, including arms' length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis: Nil**

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

Number of material contracts or arrangements or transactions at arm's length basis	
Sl No. 1	**Amount**
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Service fees
Duration of the contracts / arrangements/ transactions	Till 30th September 2026
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	3,53,81,63,183
Date of approval by the Board (DD/MM/YYYY)	16.04.2024
Amount paid as advances, if any	Nil

Sl No. 2	**Amount**
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Deficiency recovery expenses
Duration of the contracts / arrangements/ transactions	Continuing nature
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	19,77,30,284
Date of approval by the Board (DD/MM/YYYY)	16.04.2024
Amount paid as advances, if any	Nil

Sl No. 3	**Amount**

Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Salary Cross Charge (expense)
Duration of the contracts / arrangements/ transactions	Continuing nature
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	1,06,18,439
Date of approval by the Board (DD/MM/YYYY)	16.04.2024
Amount paid as advances, if any	Nil

Sl No. 4	**Amount**
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Rent Cross Charge (expense)
Duration of the contracts / arrangements/ transactions	Continuing nature
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	11,97,53,425
Date of approval by the Board (DD/MM/YYYY)	16.04.2024
Amount paid as advances, if any	Nil

Sl No. 5	**Amount**
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Asset Cross Charge (expense)
Duration of the contracts / arrangements/ transactions	Continuing nature (till end of useful life of fixed assets)
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	2,97,74,330
Date of approval by the Board (DD/MM/YYYY)	16.04.2024

Amount paid as advances, if any	Nil

Sl No. 6	Amount
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Corporate gurantee fees (expense)
Duration of the contracts / arrangements/ transactions	Continuing nature
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	8,29,68,825
Date of approval by the Board (DD/MM/YYYY)	16.04.2024
Amount paid as advances, if any	Nil

Sl No. 7	Amount
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Employee transfer arrangement (Net)
Duration of the contracts / arrangements/ transactions	Continuing nature
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	30,53,464
Date of approval by the Board (DD/MM/YYYY)	16.04.2024
Amount paid as advances, if any	Nil

Sl No. 8	Amount
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Salary Cross Charge (income)

Duration of the contracts / arrangements/ transactions	Continuing nature
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	1,97,99,278
Date of approval by the Board (DD/MM/YYYY)	16.04.2024
Amount paid as advances, if any	Nil

Sl No. 9	Amount
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74900KA2016PTC086953
Name(s) of the related party	Finnovation Tech Solutions Private Limited
Nature of relationship	Entity under common directorship
Nature of contracts/ arrangements/ transactions	Commission recovery
Duration of the contracts / arrangements/ transactions	Continuing nature
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	68,23,998
Date of approval by the Board (DD/MM/YYYY)	16.04.2024
Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors of
Krazybee Services Private Limited

Vivek Veda
Director
DIN: 07560229
Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glay Layout, Bangalore, Karnataka, India-560103

Karthikeyan Krishnaswamy
Director
DIN: 07449376
K-701, SNN Raj Lake View Apts,29th Main Road, NS Palya Main Road, BTM Layout
Bengaluru, Karnataka India-560076

Place: Bangalore
Date: August 13, 2025

Siroya and BA Associates
Company Secretaries
A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523; Cel.:+91 9324310151; **E-mail:** siroyam@gmail.com; www.msiroya.com

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Krazybee Services Private Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Krazybee Services Private Limited** (hereinafter referred to as the "**Company**"). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the relevant and applicable provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
    a. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
    b. The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;
    c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations);
    d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
    e. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
    f. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable during the year under review);
    g. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the year under review);
    h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding dealing with client;

Siroya and Associates Company Secretaries * Mumbai UCN P2019MH074300 *

Siroya and BA Associates
Company Secretaries
A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523; Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

i. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable during the year under review);
j. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the year under review); and
k. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable during the year under review).

(vi) Based on the representation made by the Company and its officers and our verification of the relevant records on test check basis, the Company has adequate system and process in place for compliance under the following laws applicable specifically in relation to the business of the Company:

a. Reserve Bank of India Act, 1934;
b. Master Direction-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Directions") (applicable till October 19, 2023);
c. Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 (applicable from October 19, 2023); and
d. Other RBI notifications and circulars as may be applicable.

We have also examined compliance with the applicable clauses of the following:

(i) The Secretarial Standards issued by the Institute of Company Secretaries of India, as amended from time to time; and
(ii) Listing Agreement/Regulations: The Company is a High Value Debt Listed Entity and therefore compliance with listing agreement/SEBI listing regulations is limited only to that effect.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned herein above, to the extent applicable.

We further report that the Board of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Woman Director and Independent Directors. The following changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act:

(i) The appointment of Mr. Vivek Veda (DIN: 07560229) was ratified and confirmed as an Executive Director of the Company for a period of five years from April 01, 2024, to March 31, 2029.
(ii) Mr. Adesh Kumar Gupta (DIN:00020403) and Mr. Abhishek Singhvi (DIN:07972535) were re-appointed as Independent Directors of the Company for the second term of five years with effect from May 29, 2024 up to May 29, 2029.
(iii) Mr. Gopalkrishna Gurappa (DIN:06407040) resigned as an Independent Director of the Company with effect from the close of business hours on July 22, 2024.
(iv) Mrs. Shashikala Ramachandra (DIN: 08087460) was appointed as an Independent (Woman) Director of the Company for a term of five years with effect from July 19, 2024 up to July 19, 2029.
(v) Mr. Madhusudan Ekambaram (DIN: 07442577) was re-designated from Non-Executive Director to Executive Director of the Company for a period of five years with effect from September 1, 2024 to August 31, 2029.
(vi) Mr. Karthikeyan Krishnaswamy (DIN:07449376) was re-designated from Non-Executive Director to Executive Director of the Company, with effect from September 1, 2024, for a period of five years, i.e., till August 31, 2029.

(vii) Mr. Madhusudan Ekambaram was appointed as the Chief Executive Officer of the Company with effect from September 01, 2024 to August 31, 2029.

(viii) Mr. Vivek Veda was appointed as the Chief Financial Officer of the Company with effect from September 01, 2024 to August 31, 2029.

Adequate notice was given to all the Directors to schedule the Board Meetings & Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the Unpublished Price Sensitive Information which were, pursuant to clause no. 1.3.7 of Secretarial Standard 1 ("SS- 1"), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS -1, and in certain cases where the meetings were held through shorter notice after due compliance of the applicable provisions and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participate on & deliberations at these meeting. Additionally, in some cases, General Meetings were held on shorter notice after due compliance of the applicable provisions.

During the year under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines. The Company is advised to further strengthen its compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India, as amended from time to time.

We further report that during the audit period, the Company has undertaken the following significant or material corporate events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

(i) The Members at their 1st Extra-ordinary General Meeting ("EGM") held on April 18, 2024, granted their approval for the following:
   (a) Increase in the ESOP Pool of the Company under Employees Stock Option Plan, 2023 (ESOP Plan, 2023);
   (b) Grant of Employee Stock Option to selected Key employees as per the shareholders agreement dated January 05, 2023, entered by the Company.

(ii) The Company had received a notice from BSE Limited dated May 03, 2024 regarding delay in intimation of the record date for ISIN INE07HK07692 (Scrip Code: 975394) in accordance with Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A fine of Rs. 10,000 excluding applicable GST was levied in this regard, which has been duly paid by the Company.

(iii) The Board on July 17, 2024 and July 22, 2024 approved the transfer of entire equity shares of the Company held by its holding company i.e., Finnov Private Limited (Finnov), to the shareholders of Finnov, where the shareholders of Finnov have become the direct shareholders of the Company pursuant to the liquidation and in-specie distribution of shares.

(iv) The Members at the 2nd EGM held on July 19, 2024, inter-alia approved the following:
   (a) Increase in the ESOP Pool of the Company under Employees Stock Option Plan, 2023 (ESOP Plan, 2023);
   (b) Grant of Employee Stock Option to selected Key employees as per the shareholders agreement dated January 05, 2023 entered by the Company; and
   (c) Alteration of Articles of Association of the Company.

Siroya and BA Associates Company Secretaries Mumbai UCN : P2019MH-074300

(v) The Members at their 3rd EGM held on August 30, 2024, granted their approval for alteration of Memorandum of Association of the Company for alteration of main object of the Company.

(vi) The Board of Directors at their meeting held on March 21, 2025, took note of the order dated March 11, 2025 passed by the Hon'ble High Court of Telangana which allowed the petition of the Company and thereby quashed the proceedings initiated against the Company by the Directorate of Enforcement.

(vii) The Members at the 4th EGM held on March 28, 2025, inter-alia granted their approval for the following:

(a) Issuance of Debt Securities on Private Placement basis aggregating upto Rs. 2000 crores proposed to be issued during the financial year 2025-26;
(b) Amendment of Krazybee Employee Stock Option Plan 2023;
(c) Increase in Authorised Share Capital and consequential amendment to the Memorandum of Association of the Company; and.
(d) Issuance of the Bonus Equity Shares and consequential changes to the conversion ratio of Series D Compulsorily Convertible Preference Shares.

(viii) During the period under review, the Company allotted 1,35,520 Non-Convertible Debentures (NCDs) of face value ₹1,00,000 each, aggregating to ₹1,355.20 crore, on a private placement basis under various issuance. These NCDs were subsequently listed on the Wholesale Debt Segment of BSE Limited.

For Siroya and BA Associates
Company Secretaries

Mumbai
UCN :
P2019MH-
074300

Mukesh Siroya
Partner
FCS No.: 5682
CP No.: 4157
ICSI Unique Code: P2019MH074300
UDIN: F005682G001001369
PR. No: 3907/2023

Date: August 13, 2025
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Siroya and BA Associates
Company Secretaries
A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523; Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

'Annexure A'

To,
The Members,
Krazybee Services Private Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Siroya and BA Associates
Company Secretaries

Siroya and BA Associates
Mumbai
UCN : P2019MH-074300
Company Secretaries

Mukesh Siroya
Partner
FCS No.: 5682
CP No.: 4157
ICSI Unique Code: P2019MH074300
UDIN: F005682G001001369
PR. No: 3907/2023

Date: August 13, 2025
Place: Mumbai

"Annexure V"

CSR Report for the Financial Year 2024-25

1. A Brief outline on CSR Policy of the Company:

KrazyBee Services Private Limited ("KrazyBee", "Company") understands the responsibility it has against its stakeholders, society and the public. Krazybee recognize that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long-term success, competitiveness and sustainability. Further, Corporate Social Responsibility ("CSR") makes a business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.

KrazyBee shall engage in impactful welfare driven activities in India which shall contribute towards the betterment of the life of the neighbour communities in the vicinity of the Company and its business presence.

CSR Policy establishes the scope, funding priorities and process associated with the CSR goals of KrazyBee.

2. The Composition of the CSR Committee

Sl. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Vivek Veda	Chairman – Executive Director	2	2
2	Adesh Kumar Gupta	Member - Independent Director	2	2
3	Abhishek Singhvi	Member- Independent Director	2	2

During the financial year 2024-25, the Corporate Social Responsibility Committee met 2 (Two) times, respectively on 13th August 2024 and 06th February 2025.

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

a) CSR Policy; - https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/policies/Corporate+Social+Responsibility+Policy.pdf

b) CSR Projects / Activities - https://s3.ap-south-1.amazonaws.com/uploads.kbnbfc.in/InvestorRelations/ProjectedCSRActivities/Projected+Annual+Action+Plan+for+FY+2024-25.pdf

4. Executive Summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: Not applicable.

5. **(a) Average net profit of the Company as per Section 135(5): Rs. 1,50,37,06,561/-**

(b) Two percent of average net profit of the company as per section 135(5): Rs. 3,00,74,131/-

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set-off for the financial year: Rs. 7,74,131/-

(e) Total CSR obligation for the financial year [(b)-(c)-(d)]: Rs. 2,93,00,000/-

6. **(a) Amount spent on CSR Projects (both Ongoing Project and other than ongoing Project):** Rs. 2,93,00,000/-

(b) Amount spent in Administrative overheads : Nil

(c) Amount spent on Impact Assessment, if applicable : Not applicable

(d) Total amount spent for the Financial Year [a+b+c]: Rs. 2,93,00,000/-

(e) CSR amount spent or unspent for the Financial Year:

					Amount (in Rs.)
Total Amount Spent for the Financial Year (in Rs.)	**Total amount transferred to Unspent CSR Amount as per Sub-section (6) of Section 135.**		**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135.**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
			Jivan Jyot Foundation	20,00,000.00	03-10-2024
2,93,00,000/-	Nil	Nil	Raginiben Bipinchandra Seva Karya Trust	20,00,000.00	04-10-2024
			Maithreyi Charitable Trust	20,00,000.00	07-10-2024
			Arya Foundation	20,00,000.00	09-10-2024
			Prerna Jyot Charitable Trust	20,00,000.00	21-10-2024
			Anshika Seva Trust	20,00,000.00	11-11-2024
			Azad Foundation	20,00,000.00	12-11-2024
			Prerna Jyot Charitable Trust	10,00,000.00	26-12-2024
			Raginiben Bipinchandra Seva Karya Trust	10,00,000.00	26-12-2024
			Arya Foundation	10,00,000.00	27-12-2024
			Azad Foundation	10,00,000.00	30-12-2024
			Anshika Seva Trust	10,00,000.00	02-01-2025
			Jivan Jyot Foundation	10,00,000.00	10-01-2025
			Maithreyi Charitable Trust	20,00,000.00	20-01-2025
			Arya Foundation	10,00,000.00	10-03-2025
			Raginiben Bipinchandra Seva Karya Trust	10,00,000.00	10-03-2025
			Prerna Jyot Charitable Trust	10,00,000.00	10-03-2025
			Foundation For		10-03-2025

			Promotion Of Sports And Games	10,00,000.00	
			VK Universal Family Foundation	7,00,000.00	10-03-2025
			Diya Ghar Trust	8,00,000.00	10-03-2025
			Azad Foundation	10,00,000.00	11-03-2025
			The Akshaya Patra Foundation	8,00,000.00	27-03-2025
Total				**2,93,00,000/-**	

(f) Excess amount for set-off, if any: *Rs. 7,74,131/-

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	3,00,74,131/-
(ii)	Total amount spent for the Financial Year	2,93,00,000/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [((iii)+(iv))]	Nil

**Excess amount spent in FY 2022-23 is Rs. 8,40,322/- and excess amount spent in FY 2023-24 is Rs. 21,271/-. Hence, the Company during the year 2024-25 has set-off Rs. 7,74,131 from the set off available in the FY 2022-23.*

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:** Nil

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.:** Not applicable

For and on behalf of the Board of Directors of
Krazybee Services Private Limited

Madhusudan Ekambaram
Director and Chief Executive Officer
DIN: 07442577
No. 296, Behind Jublee Collage, Jinkethimana Halli, Rammurthynagar, Bangalore - 560036

Vivek Veda
Chairman of CSR Committee and Director
DIN: 07560229
Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glay Layout, Bangalore, Karnataka, India-560103

Place: Bangalore
Date: 13th August 2025

CORPORATE SOCIAL RESPONSIBILITY POLICY

KRAZYBEE SERVICES PRIVATE LIMITED

Version	Approval/Revision date	Review Date	Approved/Reviewed by	Review Frequency	Next Review Date
V1	5th April 2019		Respective Committee and/or Board of Directors	Annually or as and when required	On or before August 13, 2026
V2	9th March 2020				
V3	24th September 2020 & 21st October 2020				
V4	9th February, 2024				
		February 07, 2025			
V5	13th August, 2025				

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(A) PREAMBLE

KrazyBee Services Private Limited (**"KrazyBee", "Company"**) understands the responsibility it has against its stakeholders, society and the public. Krazybee recognize that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long-term success, competitiveness and sustainability. Further, Corporate Social Responsibility ("CSR") makes a business sense as companies with effective CSR, have an image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.

Through Corporate Social Responsibility (**"CSR"**), KrazyBee shall engage in impactful welfare- driven activities in India which shall contribute towards the betterment of the life of the neighbors in the communities that the Company has presence in.

(B) PURPOSE

This CSR Policy establishes the scope, funding priorities and process associated with the CSR goals of KrazyBee. This CSR Policy shall operate as the Corporate Social Responsibility Policy of KrazyBee for the purposes of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility) Rules, 2014, as amended and modified from time to time, and other applicable laws and regulations.

(C) DEFINITIONS

(1) "Act" – Companies Act, 2013, as amended and modified from time to time;

(2) "Board" – Board of directors of KrazyBee;

(3) "CSR Activities" – shall be undertaken by Krazybee as stated in this Policy, as projects or programmes or activities (either new or ongoing), in pursuance of its statutory obligation laid down in section 135 of the Act and in accordance with the provisions contained in the Rules, but shall not include the following namely:-

- (i) activities undertaken in pursuance of normal course of business;
- (ii) any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at International level;
- (iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- (iv) activities benefitting employees of the Company as defined in section 2(k) of the Code on Wages, 2019;
- (v) activities supported by the Companies on sponsorship basis for deriving marketing benefits for its products or services;
- (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

and such other activities as prescribed under the applicable laws.

(4) "CSR Committee" – the committee of the Board constituted to implement, supervise and manage the CSR initiatives of KrazyBee;

(5) "CSR Corpus" – shall mean the corpus accumulated by KrazyBee pursuant to Clause (H) of this CSR Policy for conducting its CSR Activities;

(6) "CSR Policy" – this CSR Policy of KrazyBee Services Private Limited;

(7) "CSR Rules" – the Companies (Corporate Social Responsibility Policy) Rules, 2014 issued by the Ministry of Corporate Affairs, as amended and modified from time to time;

(8) "Net Profit" – shall have the meaning ascribed to it in the CSR Rules;

(9) 'Ongoing Project(s)' - means a multi-year project(s) undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and will include such project(s) that was initially not approved as a multi-year project(s) but whose duration has been extended beyond one year by the Board based on reasonable justification.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 or applicable laws, as may be amended from time to time shall have the meaning respectively assigned to them therein.

(D) SELECTION OF PROJECTS:

The Company aspires to be a responsible Corporate Citizen, by contributing to nation building through CSR Projects / Programs, in true letter and spirit. The CSR Vision of the Company is to build relationships of trust with local communities, society and stakeholders as good corporate citizens and to contribute to developing a sustainable society for future generations.

The following is the list of CSR Projects or Programs which Krazybee plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

(i) Taking measures to eradicate extreme hunger and poverty;

Eradicating hunger, poverty and malnutrition, [''promoting health care including preventive health care''] and sanitation [including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.

(ii) Promoting education;

Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) Promoting gender equality and empowering women;

Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iv) Ensuring environmental sustainability:

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].

(v) Protection of national heritage, art and Culture:

Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) Armed forces and their dependents

Measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];

(vii) Sports

Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.

(viii) PM CARES Fund

Contribution to the prime minister's national relief fund [or Prime Minister's Citizen Assistance and Relief in

Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix)(a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department ofBiotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science,technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) Rural development projects

(xi) Slum area development - For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) Disaster management, including relief, rehabilitation and reconstruction activities.

KrazyBee may, in its sole discretion, update the above list as per Section 135 and Schedule VII of the Companies Act, 2013, as amended from time to time.

(E) COMPOSITION OF CSR COMMITTEE

(1) The CSR Policy and programs of KrazyBee shall be implemented, managed and supervised by the CSR Committee of KrazyBee.

(2) The CSR Committee shall comprise 3 (three) or more directors, out of which atleast one director shall be an Independent Director. Subject to the requirements of the Act, the Board may increase or decrease the strength of the CSR Committee by passing a resolution.

(3) The Company has formed a CSR Committee of the Board of Directors, with such constitution as under:

Name	Designation
Mr. Vivek Veda	Chairman
Mr. Abhishek Singhvi	Member
Mr. Adesh Kumar Gupta	Member

(4) Invitees to the CSR Committee

The CSR Committee may, at its discretion, invite such members of senior management of KrazyBee from time to time to participate in the meetings of the CSR Committee and assist the CSR Committee in the implementation of the CSR Policy. It is clarified that while the persons nominated in accordance with this Clause (4) shall be entitled to participate in the deliberations of the CSR Committee, such persons shall not be entitled to vote at the meetings of the CSR Committee.

(5) The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company.

(F) DECISIONS BY THE CSR COMMITTEE

(1) The CSR Committee shall at all times act in a manner that is consistent with the provisions contained in this CSR Policy, the Act and CSR Rules.

(2) The CSR Committee shall endeavor to arrive at all decisions by a consensus of all members. However, in the event the CSR Committee is unable to arrive at such a consensus, the Committee may take decisions with the consent of the majority of the members present and entitled to vote; however, such decisions shall need to be ratified by the Board.

(3) The CSR Committee shall be responsible to determine the modalities of the implementation of this CSR Policy and actions taken under it.

(4) The provisions of section 135(5) of the Companies Act, 2013, prescribes the Company to give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR. The Company through this committee will thus give preference to the local area and areas around where the Company operates for spending the amount earmarked for CSR activities. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

(5) The CSR Committee shall formulate and recommend to the Board of Directors, an annual action plan in pursuance of this CSR policy which includes:-

(i) list of CSR projects to be undertaken;
(ii) the manner of execution of such projects;
(iii) the modalities of utilisation of funds and implementation schedules;
(iv) monitoring and reporting mechanism for the projects or programs; and
(v) impact assessment, if any for the projects undertaken by the Company.

The Board may alter the annual action plan, at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect.

(G) MEETING OF THE CSR COMMITTEE

(1) The CSR Committee shall meet as frequently as it determines necessary, but not less than one time in a year.

(2) The CSR Committee shall maintain minutes in relation to each of its meetings.

(3) The CSR Committee shall review any proposed projects and make recommendations for implementation and funding of approved projects/activities to the board of directors in accordance with the CSR policy.

(4) The final decision regarding acceptance or rejection of a CSR Proposal shall be with the Board.

(H) CSR CORPUS

(1) The CSR Corpus of KrazyBee shall comprise of the following:

(a) 2% (two percent) of the average Net Profits of KrazyBee for the last 3 (three) financial years and

(b) surplus arising out of CSR activities, if any.

(2) The CSR Corpus shall be used exclusively for undertaking the CSR Activities in compliance with the requirements of the Act and CSR Rules.

(3) For the avoidance of doubt, it is expressly clarified that the surplus arising out of CSR Activities shall not

form part of the business profits of KrazyBee.

(4) KrazyBee may spend up to 5% of the total CSR expenditure in one financial year on administrative expenses relating to general management and administration of CSR functions.

(5) Where KrazyBee spends an amount in excess of its corpus for a financial year, such excess amount may be set off against the requirement to spend up to immediately succeeding three financial years subject to the conditions to approval of the Board of Directors and as under applicable laws.

(I) MANNER OF IMPLEMENTATION

(1) The committee shall ensure that CSR activities are undertaken by the company itself or through following implementing agencies:

(a) company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
(b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
(c) any entity established under an Act of Parliament or a State legislature; or
(d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

(2) Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programmes in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014.

(J) MONITORING MECHANISM

The Company shall devise a transparent monitoring mechanism for various CSR projects/ programs/ activities undertaken by the Company. The Chief Financial Officer or the person responsible for financial management shall certify to the fact that CSR funds so disbursed have been utilized for the purposes and in the manner approved by the Board. Company shall also obtain feedback from various beneficiaries of the CSR Activities undertaken by the Company to measure their benefits.

For ongoing projects, the Committee shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project.

(K) REPORTING MECHANISM

The CSR Committee shall prepare an annual report on CSR with such information and particulars as may be required by the Act and such report shall be included in the Board's report annexed to the financial statements.

The Board's report shall include an annual report on CSR containing such details as may be prescribed from time to time under the Act and the CSR Rule

The Board will be responsible to ensure that the statutory requirements as may be prescribed from time to time under the Act and the CSR Rules are complied with.

(L) TO BE PUBLISHED ON WEBSITE

The Board of Directors of KrazyBee shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy and disclose contents of such Policy and in its report and the Policy and Annual Action Plan shall be displayed on the KrazyBee's website, as per the particulars specified above.

CIN No. U65100KA2016PTC086990

www.kbnbfc.in 080-44292555 reachus@kbnbfc.in

(M) EXCEPTIONS

Any exceptions to this Policy or procedure must be approved in writing in advance by the Chairman of the CSR Committee and the Board.

(N) AMENDMENTS

The Board of the Company shall have the power to revise /modify/ amend this Policy from time to time, as the Board may think fit, based on the recommendations to be made by the CSR Committee, if any.

CIN No. U65100KA2016PTC086990

www.kbnbfc.in 080-44292555 reachus@kbnbfc.in

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

KrazyBee Services Private Limited is a systemically important non-deposit taking Non-banking Financial Company (NBFC) registered with the Reserve Bank of India ('RBI') engaged in the business of digital lending.

1. Industry structure and developments

Macroeconomic Overview

India has maintained its position as one of the world's fastest-growing major economies, underpinned by resilient domestic demand and strong public investment. The Indian economy continues to remain resilient on strong domestic growth impulses and sound macro-fundamentals.

According to the provisional estimates released by the National Statistical Office (NSO) on May 30, 2025, real GDP growth in Q4FY25 stood at 7.4% as against 6.4% in Q3FY25 with full year FY25 GDP growth at 6.5%. The economic slowdown from FY24 is viewed as a base-effect correction, with drivers intact – robust consumption, capex cycles, and record farm production. Inflation has gradually eased (around 5–6% as of late 2024) toward the RBI's 4% target, allowing real incomes to recover and supporting credit demand. Despite global headwinds (geopolitical risks, high oil and commodity prices), stable macro conditions and an accommodative stance (with policy rates at multi-year lows) provide a supportive backdrop. Moreover, to stimulate economic growth, RBI has reduced the policy repo rate by 100 bps in quick succession since February 2025. RBI projects real GDP growth for FY26 at 6.5%.

Industry Overview

Non-Banking Financial Companies (NBFCs)

NBFCs have seen a post-pandemic boom in assets, but growth is now normalizing. NBFC AUM growth is expected to moderate to ~15–17% in FY25–FY26, down from ~23% in FY24[1]. Total NBFC credit stood near INR 52 Lakh Crs in Dec 2024, projected to exceed INR 60 Lakh Crs by FY26. Retail loans remain the main driver (~58% of NBFC book as of Dec 2024)[2].

Within NBFC portfolios, traditional segments like home and vehicle finance continue healthy mid-teens CAGRs (13–16%) on strong demand and government support (e.g. affordable housing schemes). However, growth in unsecured retail (personal loans, microfinance, credit cards, small business loans) is expected to slow more sharply due to higher indebtedness and regulatory headwinds.

Digital Lending & Consumer Credit

The digital lending market is expanding rapidly, fuelled by high Internet penetration and rising smartphone use. There are ~81 Cr Internet users in India (≈55% population) as of Jan 2025[3], underscoring a vast addressable base. Mobile broadband (~92% of connections) and open-banking frameworks (Account Aggregator, OCEN) are revolutionizing credit availability. Digital channels accounted for ~2.5% of retail loan disbursements in FY24 (up from 1.8% in FY22) and projected to reach ~5% by FY28 (~40% CAGR)[4]. Younger demographics (Gen Z, millennials) are disproportionately adopting app-based loans and BNPL, valuing the convenience and speed of online credit.

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[1] Crisil Ratings

[2] ICRA

[3] datareportal.com

[4] redseer.com

Within consumer lending, personal loans and credit cards are key growth drivers. Personal loans grew by 14% as at end-March 2025 as compared with 17.6% during the previous year. However, by volume, Personal loans grew ~35–46% (FY22–23), dominating digital lending volumes (83% by count, 72% by value)[5]. NBFCs remain strong in two-wheeler and small consumer durables finance, while public and private sector banks hold the lead in large-ticket home loans.

Business Environment

The operating environment for NBFCs is characterized by rapid technology shifts and evolving customer expectations. Consumers, particularly younger, tech-savvy cohorts, seek seamless, quick digital experiences. NBFCs have responded by building robust fintech partnerships and digital platforms.

- **Technology and Channels:** NBFCs are investing in AI/ML, cloud infrastructure, and omnichannel service to improve efficiency and user experience. E-KYC, video KYC and digital documentation have become norms, speeding up on-boarding. Social media, chatbots and digital marketing drive customer acquisition, while CRM analytics help target credit.
- **Customer Behaviour:** Borrowers are more digitally engaged and informed. Contactless payments (UPI, wallets) and BNPL (buy-now-pay-later) have familiarized users with credit. Online marketplaces and e-commerce platforms increasingly integrate credit offers. This bodes well for digital lending growth and helps build stronger customer education and trust.
- **Competitive Landscape:** The lending space is crowded with presence of traditional banks, new-age fintechs, payment companies, and e-commerce giants. NBFCs are differentiating through specialized products and customer service to increase the overall size of the market and their market share.
- **Funding and Liquidity:** NBFCs depend significantly on bank credit and capital markets for liabilities. Bank lending to NBFCs had slowed due to RBI guidance on risk weights. The growth of bank borrowings in NBFCs' liabilities also declined from 26% to 17%[6] in H1FY25. As a result, NBFCs are tapping alternate sources (retail NCDs, securitization, parent/group funding). Cost of funds remains high compared to banks, pressuring margins. However, healthy fund-raise in debt markets (NCD issuances, CP) and rising deposit mobilization by large NBFCs are mitigating funding strains. Now that risk weights on Bank lending to NBFCs have been restored to previous levels, the liquidity is expected to ease.

Regulatory Developments

Regulatory actions have significantly affected NBFCs and digital lending:

- **Digital Lending Guideline:** In continuation of the framework notified in September 2022, the RBI issued clarifications and refinements to the Guidelines on Digital Lending in FY 2024–25. RBI has issued a Master Direction on Digital Lending which consolidate and replace earlier frameworks, including the 2022 Guidelines on Digital Lending ("2022 Guidelines") and the 2023 Guidelines on Default Loss Guarantee ("2023 DLG Guidelines"). The Direction will regulate the growing digital lending ecosystem and ensure consumer protection, systemic integrity, and responsible innovation. This direction applies to all Regulated Entities including NBFCs, Banks, and their Digital Lending Partners (LSPs/DLAs). A notable addition in the Master Directions is the introduction of specific provisions for LSPs partnering with multiple REs, mandating transparent disclosure of all potential lenders and unbiased presentation of loan offers.

- **RBI issued comprehensive rules for digital lending platforms to protect customers:** These mandate full disclosure of rates/charges, written contract records, prohibitions on unauthorized data use, and prompt grievance redressal. Lending Service Providers (LSPs) must be registered, and true lender principles clarified.

[5] assets.equifax.com

[6] RBI Financial Stability Report

- **Changing paradigm of co-lending in India:** To address recent developments in co-lending arrangements among financial entities, the Reserve Bank of India (RBI) issued the draft Reserve Bank of India (Co-lending Arrangements) Directions, 2025 on April 9, 2025. These draft guidelines aim to regulate co-lending arrangements (CLAs) between regulated entities. The initiative is intended to enhance credit accessibility across broader segments of society, thereby advancing the goal of financial inclusion.

- The draft directions lays down standards that permitted entities have to consider and follow when entering into CLAs. These deal with such matters as calculations of interest rates and fees charged to borrowers, operational arrangements, reporting requirements default loss guarantees, etc.

- The draft directions outline the essential elements that must be addressed in agreements governing co-lending arrangements (CLAs) between co-lenders. These include borrower selection criteria, the funding ratio between co-lenders, terms for revenue and risk sharing, sourcing and management of loan funds, as well as a clear delineation of the roles and responsibilities of each participating co-lender.

- Default Loss Guarantee Norms: To standardize fintech/NBFC models, RBI capped DLG (often known as FLDG) at 5% of the loan portfolio. The guidelines also prescribe NPA recognition criteria and provisioning for such arrangements. By formalizing the role of fintech in extending credit, the measures aim to encourage innovation while curbing hidden risks.

- Data Protection & Cybersecurity: The Digital Personal Data Protection Act, 2023 will require explicit consumer consent for data usage and impose penalties for breaches. NBFCs must strengthen data governance and IT security to comply. RBI's Master Directions on digital lending and upcoming cybersecurity frameworks (Master Directions on IT and outsourcing) further raise compliance standard

2. Opportunity and Threats

Opportunities

a) **Regulatory Push for Clean Digital Lending**
The RBI's efforts to bring more structure to digital lending through norms like the Digital Lending Guidelines (DLG) and the Account Aggregator (AA) framework are improving sector transparency and consumer trust. For players like us who have adopted compliant journeys early, this creates a moat and long-term credibility.

b) **Better Data Infra and Risk Tech**
With increased penetration of credit bureaus and availability of alternate data, underwriting models have become sharper. This helps improve approval quality, reduce bounce rates and optimize pricing at scale using ML-based risk engines.

c) **Credit Access for Deep Bharat**
There's still a massive, underserved segment in Tier II and III cities. Our digital-first approach and use of alternate data for underwriting allows us to onboard customers quickly with minimal friction, supporting financial inclusion while scaling volumes.

Threats

a) **Liquidity Tightening on Unsecured Lending**
FY25 saw the RBI increase oversight on unsecured personal loans and digital lending. The RBI had increased risk weights for Banks lending to NBFCs by 25% but they have been restored back to previous levels.

b) **Cybersecurity and Data Privacy**
As a digital lender, we store and process large volumes of sensitive user data. Strong Information Security, regular audits, and compliant data storage practices are now hygiene requirements.

3. Outlook for FY26

Looking ahead, the growth path for FY26 is cautiously optimistic. Macroeconomic fundamentals remain solid, and government capital spending is set to continue driving demand. As inflation aligns closer to the 4% target, discretionary consumption and credit offtake should strengthen. NBFCs are projected to sustain healthy growth. Crisil expects NBFC AUM to grow ~15–17% over FY25-26, while ICRA sees credit up ~13–15% per annum. These growth rates will be supported by new customer acquisition in under-penetrated segments (rural, micro-enterprises) and cross-selling through digital channels.

Digital lending is poised for an even larger role: Digital credit is expected to grow by ~40% CAGR, with digital platforms reaching ~5% of retail lending by FY28[7]. NBFCs and fintechs plan to leverage open banking (AA/OCEN) and emerging platforms (e.g. ONDC) to capture this growth. Investment in data analytics and AI will improve underwriting quality, helping address current asset quality concerns.
On the risk side, NBFCs will continue to strengthen underwriting and collections across segments. The funding environment is likely to gradually improve as banks resume lending at healthier rates, and as bond markets remain receptive. Profitability may face headwinds from margin compression and higher provisions, but overall sector RoAs should remain positive given disciplined growth and operating leverage.

In summary, FY26 offers both opportunities and challenges. The macro backdrop is generally favourable, and policy support for financial inclusion and digitization is strong. NBFCs are expected to pursue balanced growth, expanding portfolios sustainably while safeguarding asset quality. Ongoing regulatory clarity and technological innovation should help the industry deepen financial penetration, especially in digital consumer and small-business lending, setting the stage for long-term value creation.

4. Risks and Concerns

The Company being a NBFC is mainly engaged in the business of providing loans and therefore it is exposed to various financial risks such as credit, market, interest rate and liquidity risks associated with financials products. However, the Company has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with financial products and ensure that the Company accomplishes its desired financial objectives. The Company has a Enterprise Risk Management Policy in accordance with the provisions of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by Reserve Bank of India.

5. Internal Control Systems and their adequacy

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. It is supplemented by an extensive program of internal audits conducted by the Internal Auditor and tested by the Statutory Auditors of the Company. The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

6. Financial & Operational Performance

Financial performance highlights of FY25 are as under

- AUM for the Company increased by 24% y-o-y to INR 5,898 Crs as of March 31, 2025
- Raised funds from multilateral institutions/ banks and money markets to support the growth of its businesses at competitive interest rates without compromising the right mix of long and short-term borrowings and thereby maintaining a healthy asset liability position

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- As at the end of FY25 the Company's debt outstanding was INR 3,603 Crs comprising of bank facilities (28.78%), term loans availed from NBFCs (19.16%), issuance of non-convertible debentures (42.23%), commercial papers (2.62%), ICD (0.35%) and PTC (6.85%)
- Revenue increased by 56% y-o-y to INR 2,187 Crs in FY25
- Asset quality as on March 2025 represented by stage 3 assets stood at 2.83% with a healthy provision coverage ratio of 74.37%
- Profit after tax (PAT) stood at INR 221 Crs for FY25
- The capital adequacy ratio stood at 29.5%, well above the minimum threshold stipulated RBI norms
- Comfortable liquidity position with 1.5x debt to equity and 1.4x net debt to equity
- In FY25, the company received new Credit Rating from Acuite ratings wherein the long-term rating is A with stable outlook. Short term rating of the company is CRISIL A1 and CARE A1.
- Company has also received rating upgrade to CRISIL A with stable outlook and CARE A with stable outlook in Jul'25.

7. Segment wise performance

The Company being a Non-Banking Financial Company operates under a single segment viz providing personal loans to the borrowers.

8. Material Developments in Human Resources

Your Company continues with the philosophy of thrust and focus on human resources for its continued success. In order to strengthen our human resources for meeting the future challenges and expansion plans, we have focused on hiring the best resources available and retaining and developing our existing talent pool. The total employee strength as on 31st March 2025 was 2950

For and on behalf of the Board of Directors of

Krazybee Services Private Limited

KRAZYBEE SERVICES PVT. LTD. Bangalore

Vivek Veda
Director
DIN: 07560229
Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glay Layout, Bangalore, Karnataka, India-560103

KRAZYBEE SERVICES PVT. LTD. Bangalore

Karthikeyan Krishnaswamy
Director
DIN: 07449376
K-701, SNN Raj Lake View Apts,29th Main Road, NS Palya Main Road, BTM Layout Bengaluru, Karnataka India-560076

Place: Bangalore
Date: August 13, 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KRAZYBEE SERVICES PRIVATE LIMITED
Report on the Audit of the IndAS Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of KrazyBee Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statement").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit of the Ind AS financial Statements in accordance with the standards on auditing (SAs), as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

   We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of loans and advances to customers Charge: Rs 76,213.35 Lakhs for the year ended March 31, 2025 Provision: Rs 31,175.95 Lakhs as at March 31, 2025	
Subjective estimate The Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS requirements and the relevant Reserve Bank of India's (RBI) regulations/circulars. The recognition and measurement of impairment of loans involve significant management judgement. The Company's impairment allowance is derived from estimates including the historical default and loss ratios using criteria in accordance with Ind AS 109 and considering applicable RBI's regulations/ circulars. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans. Since the recognition and measurement of impairment of loans is significant to the overall audit due to stakeholder and regulatory focus, we have ascertained this as a key audit matter. The relevant disclosures are made in financial statements for ECL including those relating to judgements and estimates by the Management in determination of the ECL.	Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. These procedures included the following: a. We examined policy of Board of Directors approving the methodology for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Company. b. We had performed the walkthrough of the ECL process c. We evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the classification of assets into stages d. We tested, on a sample basis, the input and historical data used for determining the Probability of Default (PD) and Loss Given

Key audit matters	How our audit addressed the key audit matter
	Default (LGD) rates, model validation and agreed the data with the underlying books of account and records. We have also reviewed the system and processes relating to re-validation or re-assessment of various parameters and judgements involved in the same. e. We tested the arithmetical calculation of the workings of the ECL. f. We evaluated that the Company's impairment allowance is derived in accordance with Ind AS 109 which also include considering the impact of RBI's regulations/circulars. g. We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 109 on ECL including judgements used in estimation of ECL provision.

Information other than the financial statements and auditors' report thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

   Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally

accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

    From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

11. As required by section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position subject to Note no. 45 of financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. Based on our examination, which included test checks, the Company transitioned to an ERP accounting software for maintaining its books of account, replacing the previously used software, effective from July 01, 2024. The ERP software has a feature of recording an audit trail (edit log) facility, which was enabled on March 12, 2025. For the period during which the audit trail feature was enabled and operational at the application and database levels, we did not come across any instance of the audit trail feature being tampered with. This should be read in conjunction with Note 46 (xviii) to the Ind AS Financial Statements.

12. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 2" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N

CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

Annexure '1' to the Independent Auditor's Report of even date on the Ind AS Financial Statements of KrazyBee Services Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls with reference to these Ind AS financial statements of KrazyBee Services Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

4. A company's internal financial controls with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

5. Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N

CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

Annexure "2" referred to in paragraph 12 to the Audit report of KrazyBee Services Private limited on even date

Re: KrazyBee Services Private Limited ('the Company')

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with the regular programme of verifying them in phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii)(a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

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(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods & service tax, cess, employees' state insurance and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except there are few cases in which company has not deposited the employee and employer provident fund as company is not able to generate the UAN of the employee. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, there are no statutory dues referred in subclause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name and Nature of Statute/ laws	**GST Amount involved (Rs. Lakhs)**	**Amount paid under protest (Rs. Lakhs)**	**Period to which it relates**	**Forum where Dispute is pending**

Goods and Services Tax	7,565.32	500.00	FY 2018-19 to FY 2022-23	Hon'ble Karnataka High Court

*Refer to Note 45 of the financial statements for details of the contingent liability, including the estimated penalty and interest, related to the above dispute. An amount of Rs. 500 lakhs paid under protest is recorded as 'Other Advances' in the financial statements.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) According to the information and explanations given to us, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of Debentures for the purposes for which they were raised.

(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares or debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.

(xi)(a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanations given by the management, the Company has not conducted any non-banking financial activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31(c) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 31(c) to the financial statements.

(xxi) There is no subsidiary or associate of the Company, Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N

Sagar Arora

TATTVAM & CO.
FRN 015048N
NEW DELHI
Chartered Accountants

CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

KRAZYBEE SERVICES PRIVATE LIMITED
Balance sheet
(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2025	As at March 31, 2024
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(i)	18,222.24	21,510.17
(b)	Bank balance other than (a) above	3(ii)	21,308.96	7,347.26
(c)	Trade receivables	4	1,443.36	416.27
(d)	Loans	5	564,920.66	456,693.19
(e)	Other financial assets	6	4,915.03	5,307.66
			610,810.25	491,274.55
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	7	10.34	994.20
(b)	Deferred tax assets (net)	8	9,283.53	6,962.89
(c)	Property, plant and equipment	9	469.02	318.08
(d)	Right of use asset	36(ia)	2,012.94	1,637.24
(e)	Intangible assets under development	10	-	51.07
(f)	Other intangible assets	11	66.04	9.85
(g)	Other non-financial assets	12	2,345.69	2,845.22
			14,187.56	12,818.55
	TOTAL ASSETS		624,997.81	504,093.10
	LIABILITIES AND EQUITY			
(1)	**Financial liabilities**			
(a)	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	13	987.59	1,401.67
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		13,077.00	11,481.67
(b)	Debt securities	14	161,635.21	120,184.10
(c)	Borrowings (other than debt securities)	15	198,705.63	153,787.36
(d)	Other financial liabilities	16	9,745.57	7,720.12
			384,151.00	294,574.92
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	17	35.66	-
(b)	Provisions	18	723.97	776.43
(C)	Other non-financial liabilities	19	4,505.27	3,707.81
			5,264.90	4,484.24
(3)	**EQUITY**			
(a)	Equity share capital	20(b)	112.73	112.73
(b)	Instruments entirely equity in nature	20(b)	86,015.88	86,015.88
(c)	Other equity	21	149,453.30	118,905.33
			235,581.91	205,033.94
	TOTAL LIABILITIES AND EQUITY		624,997.81	504,093.10

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of profit and loss
(All amounts are in Rs. Lakhs, unless otherwise stated)

Sl. No.	Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
	Revenue from operations			
(i)	Interest income	22	158,966.07	122,583.41
(ii)	Fees and commission income	23	59,535.39	16,878.72
(iii)	Net gain on fair value changes	24	86.25	463.58
1	**Total revenue from operations**		218,587.71	139,925.71
2	Other income	25	95.75	107.01
3	**Total income (1+2)**		218,683.46	140,032.72
	Expenses			
(i)	Finance costs	26	37,520.32	23,510.14
(ii)	Fees and commission expense	27	17,144.72	11,107.50
(iii)	Impairment on financial instruments	28	76,213.35	43,188.23
(iv)	Employee benefits expenses	29	30,419.00	18,834.64
(v)	Depreciation and amortization expense	30	883.58	364.67
(vi)	Other expenses	31	26,821.61	16,188.87
4	**Total expenses**		189,002.58	113,194.05
5	**Profit before tax (3-4)**		29,680.88	26,838.67
	Tax expense:	32		
	(1) Current tax		9,895.23	11,229.53
	(2) Deferred tax credit		(2,314.04)	(4,544.64)
	(3) Tax in respect of earlier years		(21.98)	117.96
6	**Total tax expense**		7,559.21	6,802.85
7	**Profit for the year (5-6)**		22,121.67	20,035.82
8	**Other comprehensive income (OCI)**			
	(i) Items that will not be reclassified to profit or loss Gain/(Loss) on remeasurement of defined benefit plans		(26.23)	(1.96)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		6.60	0.49
	Total other comprehensive loss for the year (net of tax)		(19.63)	(1.47)
9	**Total comprehensive income for the year (7+8)**		22,102.04	20,034.35
10	**Earnings per equity share**			
	Basic (Rs.)		1,962.33	1,787.12
	Diluted (Rs.)		1,297.11	1,264.32

Summary of material accounting policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities:		
Profit before tax	**29,680.88**	**26,838.67**
Adjustments for:		
Interest Income	(157,849.06)	(122,079.86)
Depreciation and amortization expense	883.58	364.67
Interest income from investments	(1,091.06)	(492.25)
Realised gain on sale of investments	(86.25)	(463.58)
Impairment on financial instruments	76,213.35	43,188.23
Share-based payment expense	8,101.39	6,062.97
Finance cost	37,213.19	23,403.66
Interest income on security deposits	(25.95)	(11.30)
Interest on lease liability	307.13	106.48
Cash inflow from interest on loans	159,367.82	117,519.12
Cash outflow towards finance cost	(38,018.97)	(23,001.61)
Cash generated from operations before working capital changes	**114,696.05**	**71,435.20**
Working capital changes:		
(Increase) in loans	(186,319.45)	(262,282.92)
Decrease / (Increase) in trade receivables	(1,027.09)	2,250.13
Decrease in other financial assets	374.71	654.05
Decrease / (Increase) in other non-financial assets	499.53	(1,043.80)
Increase in trade payables	1,525.79	10,803.71
Increase / (Decrease) in provisions	(78.69)	537.75
Increase in other financial liabilities	1,518.67	5,768.96
Increase in other non-financial liabilities	1,157.33	1,171.20
Cash (used in) operations	**(67,653.15)**	**(170,705.71)**
Income tax paid (net of refunds)	(8,853.75)	(10,990.31)
Net cash flows (used in) operating activities (A)	**(76,506.90)**	**(181,696.02)**
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(394.42)	(384.18)
Sale of property, plant and equipment and intangible assets	0.05	0.21
Purchase of investments in mutual funds	(114,000.00)	(347,900.00)
Proceeds from liquidation of investments in mutual funds	114,086.25	361,556.73
Net investments in fixed deposits	(13,986.30)	(2,486.00)
Interest received on investments	1,115.66	475.86
Net cash (used in) / generated from investing activities (B)	**(13,178.74)**	**11,262.61**
Cash flow from financing activities:		
Issue of CCPS (including securities premium & net of share issue expenses)	-	20,974.17
Proceeds from issue of equity share capital (including securities premium)	-	2,263.04
Debt securities issued	156,037.54	134,495.00
Debt securities repaid	(113,902.82)	(86,287.57)
Borrowings other than debt securities raised	290,834.95	210,504.11
Borrowings other than debt securities repaid	(256,050.24)	(130,961.50)
Movement in overdraft (Net)	10,255.73	16,460.11
Dividends paid (including related income tax)	-	(3,354.56)
Payment of lease liability	(777.45)	(343.35)
Net cash generated from financing activities (C)	**86,397.71**	**163,749.43**
Net (decrease) in cash and cash equivalents (A + B + C)	**(3,287.93)**	**(6,683.97)**
Cash and cash equivalents at the beginning of the period	21,510.17	28,194.14
Cash and cash equivalents at the end of the year*	**18,222.24**	**21,510.17**

*Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered & highly liquid bank balances. Also refer to Note 45

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of changes in equity
(All amounts are in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2025		As at March 31, 2024	
(A) Equity share capital	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid				
Balance at the beginning of the year	1,127,314	112.73	1,117,953	111.79
Add: Issued during the year	-	-	9,361	0.94
Balance at the end of the year	1,127,314	112.73	1,127,314	112.73

(B) Instruments entirely equity in nature	No. of shares	Amount	No. of shares	Amount
0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each issued, subscribed and fully paid				
Balance at the beginning of the year	477,866	86,015.88	389,649	70,136.82
Add: Issued during the year	-	-	88,217	15,879.06
Balance at the end of the year	477,866	86,015.88	477,866	86,015.88

(C) Other equity

For the year ended March 31, 2025:

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves	Securities premium	Share options outstanding	Retained earnings	Capital redemption	Remeasurement of defined benefit	
Balance as at April 1, 2024	7,246.49	79,251.80	6,931.36	25,480.71	0.59	(5.62)	118,905.33
Profit for the year	-	-	-	22,121.67	-	-	22,121.67
Other comprehensive income (net of tax)	-	-	-	-	-	(19.63)	(19.63)
Total comprehensive income	7,246.49	79,251.80	6,931.36	47,602.38	0.59	(25.25)	141,007.37
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	4,424.33	-	-	(4,424.33)	-	-	-
ESOP transferred in / (out)	-	-	(21.23)	-	-	-	(21.23)
Adjustment upon cancellation and exercise of options	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners:							
Amount (utilised)/reversed for share issue expenses	-	344.54	-	-	-	-	344.54
Share based payments to employees-for the year	-	-	8,122.62	-	-	-	8,122.62
Balance as at March 31, 2025	11,670.82	79,596.34	15,032.75	43,178.05	0.59	(25.25)	149,453.30

KRAZYBEE SERVICES PVT. LTD. Bangalore

TAYYAM & CO. NEW DELHI Chartered Accountants

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of changes in equity
(All amounts are in Rs. Lakhs, unless otherwise stated)

For the year ended March 31, 2024:

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves (as per RBI Act)	Securities premium	Share options outstanding account	Retained earnings	Capital redemption reserve	Remeasurement of defined benefit liability	
Balance as at April 1, 2023	3,239.33	71,894.59	868.39	12,806.61	0.59	(4.15)	88,805.36
Profit for the year	-	-	-	20,035.82	-	-	20,035.82
Other comprehensive income (net of tax)	-	-	-	-	-	(1.47)	(1.47)
Total comprehensive income	3,239.33	71,894.59	868.39	32,842.43	0.59	(5.62)	108,839.71
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	4,007.16	-	-	(4,007.16)	-	-	-
Dividend Paid	-	-	-	(3,354.56)	-	-	(3,354.56)
ESOP transferred in / (out)	-	-	883.37	-	-	-	883.37
Adjustment upon cancellation and exercise of options	-	-	(21.34)	-	-	-	(21.34)
Transactions with owners in their capacity as owners:							
Issue of equity shares	-	2,262.10	-	-	-	-	2,262.10
Issue of CCPS	-	5,447.51	-	-	-	-	5,447.51
Amount (utilised)/reversed for share issue expenses	-	(352.40)	-	-	-	-	(352.40)
Share based payments to employees-for the year	-	-	5,200.94	-	-	-	5,200.94
Balance as at March 31, 2024	7,246.49	79,251.80	6,931.36	25,480.71	0.59	(5.62)	118,905.33

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

1 General Information

Krazybee Services Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on March 16, 2016, under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka - 560017. The Company is a non-banking finance company ('NBFC') registered with the Reserve Bank of India ('RBI') with effect from May 25, 2017, with Registration No. N-02.00281. The Company is engaged in the business of consumer lending. The Company is a non-deposit taking NBFC and classified as "NBFC-Investment and Credit Company" (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019 and an "NBFC-Middle Layer" (NBFC-ML) pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023.

2 Material accounting policies

Material accounting policies adopted by the company are as under:

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 ('the NBFC Master Directions'), notification for implementation of Indian Accounting Standards issued by RBI vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI notification for implementation of Ind AS') and other applicable RBI circulars/guidelines.

The Company is regulated by the Reserve Bank of India ('RBI'). RBI periodically issues/amends directions, regulations and/or guidance (collectively "RBI Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The RBI Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its Financial Statements.

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. Accounting policies have been consistently applied to all the years presented.

The financial statements for the year ended March 31, 2025 were authorized and approved for issue by the Board of Directors on May 28, 2025.

(a) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

ii) Share based payment transactions

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 2.17 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful life
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers	3 years

2.2 Property, plant and equipment (contd.)

Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'/'Other expenses'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Computer software	3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign currency transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 -- Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the Balance Sheet date.

Level 2 — Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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2.6 Revenue recognition

(a) Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the company reverts to calculating interest income on a gross basis.

The effective interest rate method:

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR and therefore, the amortised cost of the asset is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges) if expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Statement of Profit and Loss.

(b) Other revenue from operations:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

Fees that are not an integral part of the effective interest rate of a financial instrument are also accounted for in accordance with Ind AS 115. This includes loan syndication fees received by the Company for arranging a loan and retaining a part of it at the same effective interest rate for comparable risk as other co-lending partners.

(i) Services fees:

The Company receives service fees towards rendering of services to its customers and recognizes revenue on satisfactory completion of these services. Fees on value added services and products are recognised on rendering of services and products to the customer.

(ii) Delayed payment charges:

Delayed payment charges (penal interest and the like) levied on customers for delay in repayments/non-payment of contractual cash flows is recognised on realisation.

(iii) Fees and commission income:

Income from processing fees chargeable to the platforms on the basis of disbursements made is recognized on the completion of loan processing activity.

(iv) Business support services:

Income from business support services is recognized on a accrual basis over the term of the agreement.

2.7 Dividend income

Income from shares and mutual fund units shall be taken into account on accrual basis when Company's right to receive payment is established.

2.8 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

(b) Deferred tax (contd.)

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.9 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU asset is depreciated using the straight line method from the date of initial application over the shorter of useful life of ROU asset or lease term. ROU asset are tested for impairment whenever there is any indication that their carrying amount may not be recoverable. Impairment loss, if any will be recognized in the statement of profit or loss.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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2.11 Provisions and contingent liabilities (contd.)

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) (a) Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

(i) (b) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) (c) Day 1 profit and loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Reclassification within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

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2.13 Financial instruments (contd.)

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. If the credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

Given the short term nature of the loans, the Company does not discount the cash flows receivable on the financial assets.

The cash flows from collateral will be considered, only if a loan is guaranteed by a third party as part of its contractual terms with the customers and it carry an allowance for expected credit loss based on the combined credit risk i.e., by reflecting the effect of the guarantee in the measurement of losses expected on default. A key criteria of what does not constitute part of contractual terms is that if a loan is guaranteed but the guarantee would not pass to the new holder if the loan is transferred. The third party guarantees which does not form part of the contractual terms with the customers are treated as contingent asset and recognized separately as reimbursement income only when it is virtually certain that recovery will be made.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the Statement of Profit and Loss. In the Balance Sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance Sheet. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company has used probability weights for various economic scenarios based on management's as well as professional judgement. The probability weights is reviewed periodically and amended based on the forward-looking information as available from time to time. Any change to the probability weights is approved by the Risk Management function of the Company.

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(v) Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

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(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities at amortized cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 by making contributions to a Gratuity Fund administered by trustees, assets of which are independently managed. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

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(ii) Defined benefit plans (contd.)

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.15 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Use of judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

(i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 35.

(b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(c) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 34.

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2.17 Use of judgments, estimates and assumptions (contd.)

(d) Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(e) Leases

The determination of lease term for lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options. The determination of the incremental borrowing rate used to measure lease liabilities.

(ii) Judgements

(a) Business model assessment

Classification and measurement of financial assets depends on the results of the Solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

(b) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

(c) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(d) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of defaults, Exposure at defaults and Loss given defaults
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

(e) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.18 Operating segments

The operating segments are reported in a manner consistent with the internal reporting provided by the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is engaged in the business of consumer lending in India which is considered to be the only reportable segment.

2.19 Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.20 Dividend payable

Interim dividend declared to Shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

2.21 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

2.22 De-recognition of property, plant and equipment and intangible assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

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2.23 Share based payment transaction

The stock options is granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service vesting conditions at the vesting date. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which a free reserve in nature.

During the previous year, all stock options of the Holding Company provided to employees of the Company have been cancelled, and stock options for the same value have been issued to the employees of the Company with a modified vesting period. As per Ind AS 102, since the modified vesting period is non-beneficial in nature, the Company has continued to account for the share based payment expenses as if such cancellation & issuance had not taken place.

2.24 Financial guarantees

As issuer of financial guarantees:

Financial guarantees are initially recognised in the Financial Statements at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the Statement of Profit and Loss in impairment expense. The premium received is recognised in the Statement of Profit and Loss in fees and commission income over the life of the guarantee.

As beneficiary of financial guarantees:

The Company avails financial guarantees from it's Fellow Subsidiary (upto July 17, 2024) and Entity under common directorship (w.e.f. July 17, 2024) for borrowings availed from various lenders. The fair value of the consideration have been accounted for as per Ind AS 109: Financial Instruments under the "EIR method". Also refer Note 37(A)(f) of these Financial Statements.

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KRAZYBEE SERVICES PVT. LTD. Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

		March 31, 2025	March 31, 2024
3 (i) Cash and cash equivalents			
Balances with banks in current accounts		16,200.67	17,297.81
Balances with banks in escrow accounts		2,021.57	4,212.36
Total	(I)	18,222.24	21,510.17
(ii) Bank balance other than cash and cash equivalent			
Fixed deposits (with original maturity more than 3 months)			
Encumbered (Refer Notes below)		20,525.41	6,369.17
Unencumbered		783.55	978.09
Total other bank balances	(II)	21,308.96	7,347.26
Total cash and bank balances	(I+II)	39,531.20	28,857.43

Notes:

(a) Fixed deposits aggregating to Rs. 3,329.84 lakhs (March 31, 2024: Rs. 2,568.99 lakhs) placed with Banks have a lien for term loan, overdraft and working capital facilities availed by the Company.

(b) Fixed deposits aggregating to Rs. 40.45 lakhs (March 31, 2024: Rs. 36.20 lakhs) placed with Banks have a lien for a credit card facility availed and bank guarantees provided by the Company.

(c) Fixed deposits aggregating to Rs. 4,630.09 lakhs (March 31, 2024: Rs. 1,128.70 lakhs) are provided as collateral for Securitized Liabilities of the Company. Out of the total lien marked FDs for these liabilities, lien on an FD for Rs. 504.78 lakhs (excluding interest) for one PTC which was fully paid on March 17, 2025 was removed subsequently on May 3, 2025.

(d) Fixed deposits aggregating to Rs. 12,525.03 lakhs (March 31, 2024: Rs. 2,635.28 lakhs) placed with Banks have a lien for default loss guarantee cover provided by the Company.

(e) Balance with banks in escrow accounts do not include balances of the Company's co-lending partners as these funds are in the nature of float balances for disbursements and collections from end-customers pending settlement to co-lending partners.

(f) Also refer Note 45 to these Financial Statements.

	March 31, 2025	March 31, 2024
4 Trade receivables		
Considered good -Unsecured		
Fees, commission and others	1,443.36	416.27
	1,443.36	416.27
Less: Allowance for impairment loss	-	-
Total trade receivables	1,443.36	416.27

(a) **Trade Receivables ageing schedule**

	March 31, 2025	March 31, 2024
Undisputed trade receivables - considered good		
Unbilled due	1,227.39	330.26
Outstanding from due date of payment:		
Less than 6 months	215.97	86.01
from 6 months to 1 years	-	-
from 1 year to 2 years	-	-
from 2 year to 3 years	-	-
More than 3 years	-	-

(b) Impairment loss allowance recognised on Undisputed trade receivables is Rs. Nil (Previous year Rs. Nil).

(c) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

(d) No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Krazybee Services Pvt. Ltd. Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
5 Loans		
Loans (at amortised cost)		
Loan to customers	596,098.61	482,361.14
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total	**564,920.66**	**456,693.19**
(A)		
(i) Term loans	596,098.61	482,361.14
(ii) Others	-	-
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (A)	**564,920.66**	**456,693.19**
(B)		
(i) Secured by tangible assets*	15,627.87	354.67
(ii) Secured by intangible assets	-	-
(ii) Covered under credit guarantee scheme	2,046.52	-
(iii) Unsecured	578,424.22	482,006.47
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (B)	564,920.66	456,693.19

*Secured against hypothecation of automobiles & mortgage of immovable properties.

	March 31, 2025	March 31, 2024
(C)		
Loans outside India	-	-
Loans in India		
(i) Public sector	-	-
(ii) Others	596,098.61	482,361.14
(a) Retail	596,098.61	482,361.14
(a) Corporate	-	-
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (C)	564,920.66	456,693.19
Summary of EIR impact on loans		
Total Gross Loan	600,005.68	483,823.75
EIR impact	(3,907.07)	(1,462.61)
Total Gross Loan net of EIR impact	596,098.61	482,361.14
6 Other financial assets		
Security deposit	587.55	306.13
Receivables from intermediaries*	2,466.03	3,414.08
Other receivables	1,861.45	1,587.45
Total	4,915.03	5,307.66

*Note (a): The amount represents balance of loans repaid by borrowers, which as at the Balance Sheet date is pending settlement by the intermediary e-wallet/payment gateways to the Company and is generally settled on a Transaction plus one/two (T+1/T+2) banking days basis.
*Note (b): Also refer Note 45 to these Financial Statements.

	March 31, 2025	March 31, 2024
Other receivables include (Refer Note 37):		
Receivable from related party - Finnovation Tech Solutions Private Limited	1,446.20	1,217.67
7 Current tax assets (net)		
Advance income tax*	10.34	994.20
Total	**10.34**	**994.20**
**Advance income tax includes income tax refundable for previous years.*	*10.34*	*516.37*
8 Deferred tax assets (net)		
Deferred tax assets (Refer Note 32)	9,283.53	6,962.89
Total	9,283.53	6,962.89

***Note:** Refer Note 32 for the reconciliation of income tax expenses for the year.*

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

9 Property, plant and equipment - tangible assets

	Gross block				Depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	For the year	On deductions	As at March 31, 2025	As at March 31, 2025
Owned assets									
Furniture and fixtures	94.26	57.99	-	152.25	34.65	49.04	-	83.69	68.56
Office equipments	83.94	48.58	0.08	132.44	34.15	32.10	0.03	66.22	66.22
Leasehold Improvement	135.62	53.97	-	189.59	24.19	59.16	-	83.35	106.24
Computers	294.07	201.98	-	496.05	196.82	71.23	-	268.05	228.00
Total	**607.89**	**362.52**	**0.08**	**970.33**	**289.81**	**211.53**	**0.03**	**501.31**	**469.02**

	Gross block				Depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	Up to March 31, 2024	As at March 31, 2024
Owned assets									
Furniture and fixtures	37.93	56.33	-	94.26	12.58	22.07	-	34.65	59.61
Office equipments	27.76	57.67	1.49	83.94	16.53	18.90	1.28	34.15	49.79
Leasehold Improvement	-	135.62	-	135.62	-	24.19	-	24.19	111.43
Computers	218.92	75.15	-	294.07	181.82	15.00	-	196.82	97.25
Total	**284.61**	**324.77**	**1.49**	**607.89**	**210.93**	**80.16**	**1.28**	**289.81**	**318.08**

Note : No revalution of any class of assets is carried out during the year.

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TATTAM & CO. NEW DELHI Chartered Accountants

KRAZYBEE SERVICES PVT. LTD. Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

10 Intangible assets under development

	Gross block				Amortization				Net block
	As at April 1, 2024	Additions	Transfer	As at March 31, 2025	As at April 1, 2024	For the year	On transfers	As at March 31, 2025	As at March 31, 2025
Intangible assets under development	51.07	-	51.07	-	-	-	-	-	-
Total	**51.07**	**-**	**51.07**	**-**	**-**	**-**	**-**	**-**	**-**

	Gross block				Amortization				Net block
	As at April 1, 2023	Additions	Transfer	As at March 31, 2024	As at April 1, 2023	For the year	On transfers	As at March 31, 2024	As at March 31, 2024
Intangible assets under development	-	51.07	-	51.07	-	-	-	-	51.07
Total	**-**	**51.07**	**-**	**51.07**	**-**	**-**	**-**	**-**	**51.07**

Aging for intangible assets under development

Particulars	As at	Amount for a period of				
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Computer software	March 31, 2025	-	-	-	-	-
Computer software	March 31, 2024	51.07	-	-	-	51.07

*Note: During the period, the intangible assets under developments are implemented as per the schedule and is now recognized as intangible assets.

11 Intangible assets

	Gross block				Amortization				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	For the year	On deductions	As at March 31, 2025	As at March 31, 2025
Computer software	45.64	82.97	-	128.61	36.34	26.78	-	63.12	65.49
Trade Mark	0.55	-	-	0.55	-	-	-	-	0.55
Total	**46.19**	**82.97**	**-**	**129.16**	**36.34**	**26.78**	**-**	**63.12**	**66.04**

	Gross block				Amortization				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	As at March 31, 2024	As at March 31, 2024
Computer software	37.83	7.81	-	45.64	33.05	3.29	-	36.34	9.30
Trade Mark	-	0.55	-	0.55	-	-	-	-	0.55
Total	**37.83**	**8.36**	**-**	**46.19**	**33.05**	**3.29**	**-**	**36.34**	**9.85**

Note : No revaluation of any class of assets is carried out during the year.

KRAZYBEE SERVICES PVT. LTD. Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

		March 31, 2025	March 31, 2024
12	**Other non-financial assets**		
	Prepaid expenses	895.24	395.32
	Advance to suppliers	183.39	64.61
	Debt prepayments	32.52	1,790.59
	Capital advances	80.40	-
	GST input tax credit	654.14	94.70
	Other Advances*	500.00	500.00
	Total	2,345.69	2,845.22

**Note: Also refer Note 45 to these Financial Statements.*

		March 31, 2025	March 31, 2024
13	**Trade payables**		
(a)	Total outstanding dues of micro enterprises and small enterprises	987.59	1,401.67
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	13,077.00	11,481.67
	Total	14,064.59	12,883.34

Trade payables ageing schedule:

	March 31, 2025		March 31, 2024	
Outstanding for following periods from due date of payment	**MSME**	**Others**	**MSME**	**Others**
Unbilled due	979.73	8,959.55	1,389.67	6,686.80
Less than 1 year	7.78	4,116.61	12.00	4,793.27
1 - 2 years	0.08	0.82	-	-
2 - 3 years	-	0.02	-	1.60
> 3 years	-	-	-	-

Note

The Company has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2025 and March 31, 2024 have been made in the Financials Statements based on information received and available with the Company.

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars		
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	987.59	1,401.67
Interest	5.96	9.08
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	5.29	1.09
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	5.96	9.08
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	5.96	9.08

Trade payables include (Refer Note 37):

Payable to Finnovation Tech Solutions Private Limited	7,978.80	7,363.75

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

		March 31, 2025	March 31, 2024
14	Debt securities*		
	At amortized cost		
	Secured		
	Privately placed reedeemable non-convertible debentures**	152,185.52	105,012.70
	Unsecured		
	Commercial Papers - unsecured	9,449.69	15,171.40
	Total	161,635.21	120,184.10

**All the Debt securities are in India.*

*** Non-convertible debentures includes principal and interest repayment to related party - Refer note 37*

i. Maturity pattern as at March 31, 2025:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	121,295.18	31,487.62	-	-	152,782.80
Interest accrued	802.12	-	-	-	802.12
Impact of EIR					(1,399.40)
TOTAL	122,097.30	31,487.62	-	-	152,185.52

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.84% to 12.50%
Principal and Interest	Various securities comprising of bullet payments, monthly installments, quarterly installments, Semi-annual and annual repayments
No. of installments	Principal: 53 installments, Interest: 194 installments

Maturity pattern as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	72,863.79	31,804.45	-	-	104,668.24
Interest accrued	1,485.73	-	-	-	1,485.73
Impact of EIR					(1,141.27)
TOTAL	74,349.52	31,804.45	-	-	105,012.70

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 9.80% to 12.50%
Principal and Interest	Various securities comprising of equated monthly installments, quarterly installments, Semi-annual payments, annual payments and bullet repayment schedules
No. of installments	Principal: 79 installments, Interest: 246 installments

ii. All the above non-convertible debentures are secured by way of hypothecation of the loan receivables of the Company. Minimum security cover of 1.10 times is required to be maintained throughout the term of the debentures.

iii. Rs. Nil (March 31, 2024: Rs. 8,804.49 lakhs) of the non-convertible debentures are guaranteed by an entity with common directors, Finnovation Tech Solutions Private Limited.

iv. The Company has not defaulted in the repayment of dues to its lenders during the year.

v. Maturity pattern as at March 31, 2025:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	9,700.00	-	-	-	9,700.00
Discount on CP	(228.70)	-	-	-	(228.70)
Impact of EIR					(21.61)
TOTAL	9,471.30	-	-	-	9,449.69

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 10.75% to 11.85%
Principal and Interest	Securities comprising bullet repayment schedules
No. of installments	5

Maturity pattern as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	15,725.00	-	-	-	15,725.00
Discount on CP	(498.05)	-	-	-	(498.05)
Impact of EIR					(55.55)
TOTAL	15,226.95	-	-	-	15,171.40

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.65% to 11.75%
Principal and Interest	Securities comprising bullet repayment schedules
No. of installments	5

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

		March 31, 2025	March 31, 2024
15	**Borrowings (other than debt securities)**		
	At amortized cost, secured		
	Term loans		
	i. From Banks	44,465.74	27,560.27
	ii. From others	69,056.72	74,010.16
	Working capital loans	24,523.75	15,505.60
	Inter corporate deposits	1,248.60	-
	Securitization liabilities	24,694.98	17,251.94
	At amortized cost, unsecured		
	Working capital loans	8,000.00	2,999.28
	Bank overdraft	26,715.84	16,460.11
	Total	198,705.63	153,787.36
	Borrowings in India	198,705.63	153,787.36
	Borrowings outside India	-	-

Notes:

Maturity pattern as at March 31, 2025 for term loans from banks:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	37,872.90	5,024.00	1,666.67	-	44,563.57
Interest accrued	158.43	-	-	-	158.43
Impact of EIR					(256.26)
TOTAL	38,031.33	5,024.00	1,666.67	-	44,465.74

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.45% to 12.50%
Principal and Interest	Various loans comprising of monthly and quarterly repayments
No. of installments	Principal: 167 installments, Interest: 199 installments

Maturity pattern as at March 31, 2024 for term loans from banks:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	24,535.44	3,062.77	-	-	27,598.21
Interest accrued	75.68	-	-	-	75.68
Impact of EIR					(113.62)
TOTAL	24,611.12	3,062.77	-	-	27,560.27

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 8.85% to 12.50%
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments and bullet repayment schedules
No. of installments	Principal: 101 installments, Interest: 116 installments

Maturity pattern as at March 31, 2025 for term loans from others:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	59,028.68	9,859.96	-	-	68,888.64
Interest accrued	341.25	-	-	-	341.25
Impact of EIR					(173.17)
TOTAL	59,369.93	9,859.96	-	-	69,056.72

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 10.85% to 12.60%
Principal and Interest	Various loans comprising of monthly, quarterly and semi-annual repayments
No. of installments	Principal: 331 installments, Interest: 377 installments

Maturity pattern as at March 31, 2024 for term loans from others:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	71,651.09	1,935.76	-	-	73,586.85
Interest accrued	555.62	-	-	-	555.62
Impact of EIR					(132.31)
TOTAL	72,206.71	1,935.76	-	-	74,010.16

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.00% to 13.50%
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments and semi-annual repayment schedules
No. of installments	Principal: 244 installments, Interest: 287 installments

(All amounts are in Rs. Lakhs, unless otherwise stated)

15 Borrowings (other than debt securities) (contd.)

Maturity pattern as at March 31, 2025 for working capital loans:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	32,500.00	-	-	-	32,500.00
Interest accrued	77.74	-	-	-	77.74
Impact of EIR					(53.99)
TOTAL	32,577.74	-	-	-	32,523.75

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 7.75% to 11.25%.
Principal and Interest	Bullet principal and monthly interest repayments.
No. of installments	Principal: 8 installments, Interest: 26 installments

Maturity pattern as at March 31, 2024 for working capital loans:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	18,500.00	-	-	-	18,500.00
Interest accrued	77.26	-	-	-	77.26
Impact of EIR					(72.38)
TOTAL	18,577.26	-	-	-	18,504.88

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 7.97% to 10.85%
Principal and Interest	Bullet principal and monthly interest repayments
No. of installments	Principal: 5 installments, Interest: 15 installments

Maturity pattern as at March 31, 2025 for inter-corporate deposits:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	1,250.00	-	-	-	1,250.00
Interest accrued	-	-	-	-	-
Impact of EIR					(1.40)
TOTAL	1,250.00	-	-	-	1,248.60

Key repayment terms as at March 31, 2025:

Interest rates	12.00%
Principal and Interest	Monthly repayments
No. of installments	Principal: 10 installments, Interest: 10 installments

Maturity pattern as at March 31, 2024 for inter-corporate deposits: Not Applicable

Key repayment terms as at March 31, 2024: Not Applicable

Maturity pattern as at March 31, 2025 for Securitization liabilities:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	22,563.03	2,148.43	-	-	24,711.46
Interest accrued	84.96	-	-	-	84.96
Impact of EIR					(101.44)
TOTAL	22,647.99	2,148.43	-	-	24,694.98

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.94% to 11.35%
Principal and Interest	Basis repayment trends of the underlying pool of receivables
No. of installments	Principal: 63 installments, Interest: 68 installments

Maturity pattern as at March 31, 2024 for Securitization liabilities:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	12,904.19	4,390.28	-	-	17,294.47
Interest accrued	76.00	-	-	-	76.00
Impact of EIR					(118.53)
TOTAL	12,980.19	4,390.28	-	-	17,251.94

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.75% to 11.35%
Principal and Interest	Basis repayment trends of the underlying pool of receivables
No. of installments	Principal: 40 installments, Interest: 46 installments

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15 Borrowings (other than debt securities) (contd.)

Nature of Security:

i. Securitisation liabilities are secured with a Fixed Deposit of Rs. 4,630.09 lakhs (March 31, 2024: Rs. 1,128.70 lakhs) and securitisation of specific loan receivables of the Company.

ii. Term loans are secured with Fixed Deposits of Rs. Nil (March 31, 2024: Rs. 216.72 lakhs) and hypothecation of specific loan receivables of the Company (with cover ranging from 1.10 to 1.25 times of loan outstanding).

iii. Working Capital loans are secured with Fixed Deposits of Rs. 3,328.31 lakhs (March 31, 2024: Rs. 2,351.01 lakhs) and hypothecation of specific loan receivables of the Company (with cover ranging from 1.25 to 1.40 times of loan outstanding).

iv. Overdraft facility are secured with Fixed Deposits of Rs. 1.53 lakhs (March 31, 2024: Rs. 1.26 lakhs).

Additional notes:

i. Fixed deposits of Finnovation Tech Solutions Private Limited have been provided as collateral against unsecured bank overdrafts and unsecured working capital loans of the Company.

ii. Corporate guarantees by Finnovation Tech Solutions Private Limited have been provided against sanctioned limits of bank overdrafts, term loans & working capital loans. Refer Note 37 for additional information.

iii. The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

iv. There are no defaults during the year in repayment of any dues of any borrowings.

		March 31, 2025	March 31, 2024
16	**Other financial liabilities**		
	Employee benefits payable	2,548.52	1,645.83
	Lease liability	2,133.88	1,627.10
	Provision for default loss guarantee	4,834.57	3,819.98
	Capital creditors	11.76	3.35
	Others	216.84	623.86
	Total	9,745.57	7,720.12
	***Others include:(Refer Note 37):**		
	Payable to related party - Finnovation Tech Solutions Private Limited	185.50	405.40
	Payable to related party - Finnov Private Limited	-	0.02
17	**Current tax liabilities (net)**		
	Current tax liabilities	35.66	-
	Total	35.66	-
18	**Provisions**		
	Provision for gratuity	193.93	376.37
	Provision for compensated absences	530.04	400.06
	Total	723.97	776.43
19	**Other non - financial liabilities**		
	Statutory dues	2,709.65	1,552.32
	Interest received in advance	1,795.62	2,155.49
	Total	4,505.27	3,707.81

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	March 31, 2025	March 31, 2024
20(a) Equity share capital		
The Company has only one class of equity share capital having a par value of Rs. 10 per share, referred to herein as equity shares.		
Authorized		
35,30,00,000 equity shares of Rs. 10 each (March 31, 2024: 30,00,000 equity shares of Rs. 10 each)	35,300.00	300.00
20(b) Instruments entirely equity in nature		
The Company has only one class of preference share capital having a par value of Rs. 18,000 per share, referred to herein as preference shares.		
Authorized		
5,60,000, 0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each (March 31, 2024: 5,60,000, 0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each)	100,800.00	100,800.00
	136,100.00	101,100.00
Issued, subscribed and paid up share capital		
11,27,314 equity shares of Rs. 10 each (March 31, 2024: 11,27,314 equity shares of Rs. 10 each)	112.73	112.73
4,77,866 0.001% CCPS of Rs. 18,000 each (March 31, 2024: 4,77,866 0.001% CCPS of Rs. 18,000 each)	86,015.88	86,015.88
Total	86,128.61	86,128.61

(a) Reconciliation of shares outstanding at the beginning and at the end of the year:

	March 31, 2025		March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Outstanding at the beginning of the year	1,127,314	112.73	1,117,953	111.79
Add: Issued during the year	-	-	9,361	0.94
Outstanding at the end of the year	1,127,314	112.73	1,127,314	112.73
Compulsorily convertible preference shares				
Outstanding at the beginning of the year	477,866	86,015.88	389,649	70,136.82
Add: Issued during the year	-	-	88,217	15,879.06
Outstanding at the end of the year	477,866	86,015.88	477,866	86,015.88

(b) Rights, preferences and restrictions attached to shares

Equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the shareholders will be entitled to participate in the distribution of the proceeds of such liquidation in the manner set out under the Articles of the Company.

Terms of Series D Compulsorily Convertible Preference Shares ("Series D CCPS")

1. **Voting:** Each holder of Series D CCPS shall be entitled to exercise voting rights in respect to the respective shares held by it on an "As If Converted Basis".

2. **Dividend:** Each Series D CCPS carries a preferential non-cumulative dividend of 0.001% per annum. The Dividends in respect of the Series D CCPS shall be declared by the Board of Directors from funds or reserves that are legally available and paid on a pari-passu basis with all other Preference Shares, prior, and in preference, to any declaration or payment of dividends in favour of any other class of share of the Company including, without limitation, the Equity Shares. In a case where dividends on any other class of shares of the Company are higher than the Series D CCPS dividend rate, such higher rate of dividends shall also be paid to the Series D CCPS holders unless such shareholders waive their right to receive such dividend.

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20(b) Equity share capital (contd.)

Compulsorily Convertible Preference Shares:

3. Conversion: Each Series D CCPS shall convert into Equity shares on a 1:1 basis. The Series D CCPS can be converted at the option of the holder of the Series D CCPS by serving a prior written notice to the Company. The Series D CCPS will mandatorily convert in Equity Shares on the earlier of (i) 20 years from the date of allotment and (ii) Date preceding the Qualified Initial Public Offering of the Company.

4. Valuation Protection: The Series D CCPS holders are entitled to a valuation protection over the subscription price.

5. Liquidation Preference: The Series D CCPS carry a liquidation preference in preference to holders of Equity shares of the Company in the following manner (a) the relevant subscription price in respect of each Series D Preference Share plus any declared but unpaid dividends; and (b) in the event that there are insufficient proceeds to pay the entire preferential amount then the entire available proceeds shall be distributed among the holders of the Series D CCPS in proportion to the full amounts to which they would be entitled if there were sufficient proceeds to pay the entire preferential amount in respect of each Series D CCPS held.

(c) Shares held by holding company

	March 31, 2025	March 31, 2024
	Number	Number
Finnov Private Limited		
Nil (March 31, 2024: 11,27,313) equity shares of Rs. 10 each fully paid	-	1,127,313

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	March 31, 2025		March 31, 2024	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares of Rs. 10 each fully paid up				
Finnov Private Limited	-	-	1,127,313	100.00%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	268,134	23.79%	-	-
PI Opportunities Fund I	262,084	23.25%	-	-
PI Opportunities Fund II	14,135	1.25%	-	-
Alpine Opportunity Fund IV, L.P	163,635	14.52%	-	-
Alpine Opportunity Fund I, L.P	28,776	2.55%	-	-
Business Excellence Trust III - India Business Excellence Fund III	120,348	10.68%	-	-
India Business Excellence Fund IV	31,942	2.83%	-	-
Madhusudan Ekambaram	77,718	6.89%	-	-
Compulsorily Convertible Preference Shares of Rs. 18,000 each fully paid				
Wiseanya Limited	249,581	52.23%	249,581	52.23%
PI Opportunities Fund I	66,350	13.88%	66,350	13.88%
PI Opportunities Fund II	15,709	3.29%	15,709	3.29%
India business Excellence Fund IV	64,149	13.42%	64,149	13.42%
MUFG Bank Ltd.	31,158	6.52%	31,158	6.52%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	29,939	6.27%	29,939	6.27%

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

As per records of the Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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20(b) Equity share capital (contd.)

(f) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(g) There are no shares reserved for issue under options or contracts and commitments.

(h) During the financial year, the shareholders of Finnov Private Limited ("Holding Company") have approved the liquidation of the Holding Company by way of voluntary winding up and as part of the liquidation process, the equity shares held by the Holding Company in the Company have been distributed to its shareholders in a manner such that there is no change in the effective shareholding of the shareholders in the Company post the in-specie distribution. Consequent to the in-specie distribution, all the shareholders of the Holding Company have now become direct shareholders of the Company. The revised shareholders, number of shares and percentage of holding immediately after giving the effect of the said event is as follows *(this does not include secondary transactions that may have occurred post this event)*:

Name of the Shareholder	Equity shares	CCPS*	Total	Shareholding %
PI Opportunities Fund (I and II)	262,084	82,059	344,143	21.44%
NewQuest Asia Fund IV (Singapore)	262,084	29,939	292,023	18.19%
Wiseanya Limited	-	249,581	249,581	15.55%
Alpine Opportunity Fund (I and IV)	208,720	-	208,720	13.00%
India Business Excellence Fund (III and IV)	120,348	64,149	184,497	11.49%
Others	70,055	-	70,055	4.36%
MUFG Bank Ltd.	-	31,158	31,158	1.94%
Madhusudan Ekambaram	110,319	-	110,319	6.87%
Mirae Asset	53,990	20,980	74,970	4.67%
Krishnaswamy Karthikeyan	39,714	-	39,714	2.47%
Total	1,127,314	477,866	1,605,180	100.00%

**CCPS are considered as equity shares for arriving revised shareholding percentage.*

The Shareholders of the Company, pursuant to the resolution passed in the Extra-Ordinary General Meeting held on March 28, 2025, have approved issue of Bonus Equity shares of 199 Equity shares for every Equity share held in the Company as on the record date March 21, 2025. The Board of Directors approved the allotment of Bonus Equity shares on April 16, 2025 and accordingly, the Company has subsequently utilized its Securities Premium balance to the tune of Rs. 22,433.55 lakhs. Consequent to this issue, the conversion ratio of the CCPS of the Company stands revised to 200:1, i.e 200 equity shares for every CCPS held.

(i) **Details of shareholding of promoters in the Company:**

	March 31, 2025		
Name of the promoter	Number of shares	% of holding in the class	% Change during the year
Finnov Private Limited	-	0.00%	-100.00%

	March 31, 2024		
Name of the promoter	Number of shares	% of holding in the class	% Change during the year
Finnov Private Limited	1,127,313	100.00%	0.00%

Note: During FY 2023-24, Mr. Madhusudan Ekambaram & Mr. Karthikeyan Krishnaswamy were categorized as Non-Promoters of the Company pursuant to resolution passed by Board of Director at its meeting held on February 9, 2024 and resolution passed by Shareholders of the Company at the Extra-Ordinary General Meeting held on February 13, 2024. The Company has made the relevant filings with regulatory authorities.

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	March 31, 2025	March 31, 2024
21 Other equity		
(a) Statutory reserve u/s 45-IC of the RBI Act, 1934		
Opening balance	7,246.49	3,239.33
Add: Transferred / (utilized) during the year	4,424.33	4,007.16
Closing balance	11,670.82	7,246.49
(b) Capital Redemption Reserve		
Opening balance	0.59	0.59
Add: Transferred / (utilized) during the year	-	-
Closing balance	0.59	0.59
(c) Securities premium account		
Opening balance	79,251.80	71,894.59
Add: Securities premium credited on issue of equity shares	-	2,262.10
Add: Securities premium credited on issue of CCPS	-	5,447.51
Less: Amount (utilized) / reversed for share issue expenses	344.54	(352.40)
Closing balance	79,596.34	79,251.80
(d) Share options outstanding account		
Opening balance	6,931.36	868.39
Add: Share based payment expense for the year	8,122.62	5,200.94
Add / (Less): Transfer of liability on account of shifting of employees	(21.23)	883.37
Less: Adjustment on cancellation of ESOP	-	(21.34)
Closing balance	15,032.75	6,931.36
(e) Retained earnings		
Opening balance	25,475.09	12,802.46
Add: Net Profit for the year	22,121.67	20,035.82
Add: Other comprehensive income for the year	(19.63)	(1.47)
Less: Transfer to statutory reserves	4,424.33	4,007.16
Less: Dividend Paid	-	3,354.56
Closing balance	43,152.80	25,475.09
Total reserves and surplus	149,453.30	118,905.33

Nature and purpose of reserves:

(a) Statutory reserve u/s 45-IC of the RBI Act, 1934

The Company creates a reserve in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount equal to or more than twenty percent of its net profit for the year, before declaration of the dividend.

(b) Securities premium account

The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. The balance is utilized in accordance with the provisions of the Companies Act, 2013.

(c) Share options outstanding account

The Company provide share based payment scheme to its employees. The shares of the company were granted to the employees under the scheme. The share options outstanding account represents amount recognized over the vesting period and payments made towards such options.

(d) Retained earnings

Retained earnings represents the surplus in Profit and Loss Account. The Company recognises change on account of remeasurement of the net defined benefit liability/(asset) as part of retained earnings with separate disclosure, which comprises of actuarial gains and losses on defined benefit plans.

(e) Capital Redemption Reserve

As per Companies Act, 2013, Capital Redemption Reserve is created when the Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to Capital Redemption Reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

(f) Payment of dividend:

No dividend has been declared during the year (March 31, 2024: Rs. 300 per equity share and Rs. 0.18 per Compulsorily Convertible Preference Share (CCPS)).

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		Year ended March 31, 2025	Year ended March 31, 2024
22	**Interest income**		
	At amortized cost		
	Interest on loans	157,849.06	122,079.86
	Interest on deposits with Banks	1,091.06	492.25
	Other interest income	25.95	11.30
	Total	158,966.07	122,583.41
23	**Fees and commission income**		
	Fees from platform	-	-
	Service Fees	45,773.60	13,052.52
	Foreclosure income	13,687.41	3,826.20
	Commission recovery	74.38	-
	Total	59,535.39	16,878.72
	**Refer Note 38 for additional disclosures as per Ind AS 115.*		
24	**Net gain on fair value changes**		
	Net gain on financial instruments at fair value through profit or loss		
	- investments	86.25	463.58
	Total net gain on fair value changes	86.25	463.58
	Fair value changes:		
	- realised	86.25	463.58
	- unrealised	-	-
	Total net gain on fair value changes	86.25	463.58
25	**Other income**		
	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	0.25
	Interest on Income Tax Refund	92.52	-
	Miscellaneous income	3.23	106.76
	Total	95.75	107.01
26	**Finance costs**		
	On financial liabilities measured at amortized cost:		
	Interest on borrowings	19,979.30	11,168.56
	Interest on debt securities	17,210.98	12,072.45
	Interest on lease liability	307.13	106.48
	Interest on shortfall of advance tax	0.35	63.70
	Other interest expense	22.56	98.95
	Total	37,520.32	23,510.14
27	**Fees and commission expense**		
	Commission to platforms	14,441.34	8,678.15
	Commission to payment gateways	51.70	49.80
	Credit assessment charges	2,651.68	2,379.55
	Total	17,144.72	11,107.50

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		Year ended March 31, 2025	Year ended March 31, 2024
28	**Impairment on financial instruments**		
	On financial instruments measured at amortised cost:		
	Loans	57,700.62	38,482.07
	On financial instruments measured at fair value:		
	Financial guarantee contracts	18,512.73	4,706.16
	Total	76,213.35	43,188.23
29	**Employee benefit expenses**		
	Salaries and wages	21,101.03	12,858.93
	Gratuity expense	154.42	100.63
	Leave benefits expense	169.06	124.95
	Contribution to provident and other funds	745.10	478.30
	Share based payments to employees	8,122.62	5,200.94
	Staff welfare expenses	126.77	70.89
	Total	30,419.00	18,834.64
30	**Depreciation and amortization expense**		
	on tangible assets	211.53	80.15
	on right of use asset	645.27	281.23
	on intangible assets	26.78	3.29
	Total depreciation and amortization expense	883.58	364.67
31	**Other expenses**		
a)	Rent, rates and taxes	1,711.19	836.55
	Communication Costs	126.81	162.14
	Directors' fees, allowances and expenses	65.95	45.78
	Auditor's fees and expenses	40.26	17.99
	Legal and Professional charges	951.07	743.61
	Loss on sale of fixed asset	0.01	0.04
	Bank charges	309.55	191.64
	Processing and Verification expenses	1,559.62	1,526.63
	Technical expenses	4,647.41	3,984.57
	Sales promotion expenses	3,862.46	1,986.68
	Collection charges	9,864.14	3,125.91
	Office expenses	1,359.09	722.27
	Deficiency recovery expenses	1,977.30	2,670.27
	Expenditure towards Corporate Social Responsibility (CSR) activities	293.00	118.00
	Credit guarantee fee	11.78	-
	Other expenditure	41.97	56.79
	Total	26,821.61	16,188.87

Note : The following is the break-up of Auditors remuneration (exclusive of Goods and service tax):

b)	**As auditor:**		
	Audit fee*	20.50	12.00
	Limited review fees*	4.50	4.50
	In other capacity:		
	For certificates*	1.94	-
	Other services*	10.00	-
	Total	36.94	16.50

**Note: The above fees is excluding GST.*

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	Year ended March 31, 2025	Year ended March 31, 2024

c) Corporate Social Responsibility (CSR)

Pursuant to Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities identified by the Company and monitored by CSR Committee.

	Year ended March 31, 2025	Year ended March 31, 2024
Gross amount required to be spent	300.74	117.79
Excess amount spent in previous financial year carried forward	8.61	8.40
Excess amount carried forward from previous year, utilized during the period	7.74	-
Amount spent during the year		
i. construction/acquisition of any asset		
-under control of the Company for future use	-	-
-not under control of the Company for future use	-	-
ii. On purpose other than (i) above	293.00	118.00
iii. Excess/(Shortfall) for the year	-	0.21
Total of previous years excess	0.87	8.40
iv. Reason for shortfall	Not applicable	Not applicable
iv. Nature of CSR activities		

CSR activities conducted during the year was focused on promoting healthcare, rural development, women empowerment, environmental protection and promotion of sports, among other interventions.

32 Income tax

(A) Deferred tax relates to the following:

	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax assets		
On provision for employee benefits	176.24	110.78
On financial guarantees	1,216.77	961.41
On financial assets	8,309.39	5,869.09
On leases	45.82	8.32
On property, plant and equipment and intangible assets	32.16	10.01
On others	1.75	2.79
	9,782.12	6,962.39
Deferred tax liabilities		
On financial liabilities	505.19	-
	505.19	-
Deferred tax on OCI	6.60	0.49
Deferred tax asset, net	9,283.53	6,962.89

(B) Reconciliation of deferred tax assets/(liabilities) (net):

	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance at the beginning of the year	6,962.89	2,417.75
Tax liability recognized in Statement of Profit and Loss:		
On financial liabilities	(505.19)	-
Tax asset recognized in Statement of Profit and Loss:		
On provision for employee benefits	65.46	55.92
On property plant and equipment and intangible asset	22.15	2.82
On financial guarantees	255.35	961.41
On financial assets	2,440.31	3,510.15
On leases	37.50	3.60
On others	(1.53)	10.74
Total deferred tax assets/(liabilities) (net)	2,314.04	4,544.64
Tax liability recognized in OCI:		
On re-measurements gain/(losses) of post-employment benefit obligations	6.60	0.49
Closing balance at the end of the year	9,283.53	6,962.89

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	Year ended March 31, 2025	Year ended March 31, 2024
(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss		
Deferred tax liabilities	(505.19)	-
Deferred tax assets	2,819.23	4,544.64
Amounts recognised in Statement of Profit and Loss account	**2,314.04**	**4,544.64**
(D) Income tax expense		
- Current tax	9,895.23	11,229.53
- Adjustments in respect of current income tax of previous year	(21.98)	117.96
- Deferred tax credit	(2,314.04)	(4,544.64)
Income tax expense reported in the statement of profit or loss	**7,559.21**	**6,802.85**
(E) Income tax charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	6.60	0.49
Income tax charged to OCI	**6.60**	**0.49**
(F) Reconciliation of tax charge		
Profit before tax	29,680.88	26,838.67
Income tax expense at tax rates applicable	25.17%	25.17%
Income tax expense	**7,470.08**	**6,754.76**
Tax effects of:		
Non tax deductible expenses	90.24	48.03
Others	(1.11)	0.06
Income tax expense	**7,559.21**	**6,802.85**
Effective tax rate	***25.47%***	***25.35%***

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

33 Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2025	March 31, 2024
Net profit attributable to equity holders	22,121.67	20,035.82
Weighted average number of equity shares for basic EPS	1,127,314	1,121,124
Weighted average number of equity shares for diluted EPS	1,705,463	1,584,714
Basic earnings per share (Rs.)	1,962.33	1,787.12
Diluted earnings per share (Rs.)	1,297.11	1,264.32

34 Employee benefits

(A) Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	745.10	478.30

(B) Other plans provisions

a) Defined benefit plan: Gratuity	193.93	376.37

The Company has a gratuity plan for its employees which is governed by the Payment of Gratuity Act, 1972. The gratuity benefit payable to the employees of the Company is the greater of the provisions of the Payment of Gratuity Act, 1972 and the Company's gratuity scheme. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The level of benefits provided depends on the employee's length of service, managerial grade and salary at retirement age.

Gratuity plan is funded by the Company and payment for the present obligation of future gratuity liabilities is made to the approved gratuity fund. Any deficits in plan assets as compared to actuarial liability determined by an actuary are recognised as a liability. Actuarial liability is computed using the projected unit credit method. The calculation includes assumptions with regard to discount rate, salary escalation rate, attrition rate and mortality rate. Management determines these assumptions in consultation with an actuary and past trends.

Gains and losses through remeasurements of the net defined benefit liability/assets are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. The effect of any planned amendments is recognised in Statement of Profit and Loss. Remeasurements are not reclassified to

The amounts recognized in the balance sheet and the movement in the net defined benefit obligation over the year, and the assumptions used are as follows:

i) Actuarial assumptions

Discount rate (per annum)	6.54%	7.18%
Rate of increase in salary	9.00%	10.00%
Rate of attrition	35.00%	30.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

ii) Changes in the present value of defined benefit obligation:

Present value of obligation at the beginning of the year	376.37	137.93
Interest cost	27.02	17.36
Current service cost	139.59	83.27
Liability Transferred In/ Acquisitions	42.38	137.86
Liability Transferred Out/ Divestments	(9.10)	-
Benefit directly paid by employer	(19.99)	(2.02)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(40.69)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(4.12)	0.34
Actuarial (Gains)/Losses on Obligations - Due to Experience Adjustment	71.03	1.63
Present value of obligation at the end of the year	582.49	376.37

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(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
Change in the Fair Value of Plan Assets:		
Fair Value of Plan Assets at the beginning of the year:	-	-
Interest Income	12.19	-
Contributions by the Employer	376.36	-
Fair Value of Plan Assets at the end of the year	**388.55**	**-**
Net Liability Recognized in the Balance Sheet	**193.94**	**376.37**
Category of plan assets		
Insurer managed funds	100.00%	0.00%
iii) Expense recognized in the Statement of Profit and Loss		
Current service cost	139.59	83.27
Net Interest Cost	14.83	17.36
Total expense recognized in the Statement of Profit and Loss	**154.42**	**100.63**
Expense recognized in the Statement of Other Comprehensive Income		
Actuarial (Gains)/Losses on obligation for the year	26.23	1.96
Return on Plan Assets, excluding interest income	-	-
Total expense recognized in the Statement of Profit and Loss	**26.23**	**1.96**
iv) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	582.49	376.37
Fair Value of Plan Assets at the end of the year	(388.55)	-
Unfunded net (asset) / liability recognized in Balance Sheet	**193.94**	**376.37**
v) Expected contribution to the fund in the next year	341.75	-
vi) A quantitative sensitivity analysis for significant assumptions is as shown below:		
Impact on defined benefit obligation:		
Change in Discount rate:		
1% increase	(14.06)	(11.61)
1% decrease	14.91	12.45
Change in Rate of Salary Increase:		
1% increase	13.63	11.73
1% decrease	(13.18)	(11.22)
Change in Rate of Employee Turnover:		
1% increase	(7.15)	(5.88)
1% decrease	7.38	6.11
vii) Maturity profile of defined benefit obligation		
Year		
1st Following Year	133.17	65.75
2nd Following Year	113.99	62.03
3rd Following Year	107.28	59.90
4th Following Year	92.14	62.24
5th Following Year	75.61	56.34
Sum of Years 6 To 10	147.21	136.53
Sum of Years 11 and above	30.18	48.11

b) Defined benefit plan: Compensated absences for Employees

Present value of unfunded obligations	530.04	400.06
Expense recognised in the Statement of Profit and Loss	169.06	124.95
Discount rate	6.54%	7.18%
Salary escalation rate	9.00%	10.00%

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(All amounts are in Rs. Lakhs, unless otherwise stated)

35 Employee Stock Option Scheme (ESOP)

The Holding Company's Board of Directors have approved ESOP plan 2016 ("Old plan") for granting Employee Stock Options in form of equity shares of the Holding Company linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors of the Holding Company. The options granted are recorded as per the fair market value as on the date of grant. Such fair market value of the option is determined on the basis of actuarial valuation as on the date of the grant. The options vest in a graded manner over the period of four years from the date of the grant and the exercise price is Nil. During the previous Financial Year, the Holding Company's Board of Directors cancelled the ESOP plan 2016 and the Company's Board of Directors has formulated Krazybee Employee Stock Option Plan 2023 ("New plan").

The following table illustrates the number of and movement in share options during the year.

Particulars	March 31, 2025 Number (Old Plan)	March 31, 2025 Number (New Plan)	March 31, 2024 Number (Old Plan)	March 31, 2024 Number (New Plan)
Outstanding at beginning of the year	85,690	82,004	5,366,138	-
Add:				
Granted during the year old pool	-	-	-	52,447
Granted during the year new pool	-	61,372	-	29,730
Option transferred in	-	-	614,882	-
Less:				
Option transferred out	-	87	403	-
Forfeited/exercised during the year	85,690	490	950,529	76
Expired during the year	-	607	-	97
Transferred to Krazybee	-	-	4,944,398	-
Outstanding at the end of the year#	-	142,192	85,690	82,004

*During the year ended March 31, 2024, management has cancelled the ESOPs granted under Finnov ESOP Plan and implemented a new ESOP plan at India level under which equivalent value ESOP has been granted to the employees of the Company in lieu of ESOPs cancelled at Finnov level.

Accordingly, as per Ind AS 102, the cancellation of Finnov share options and grant of new stock options by the Company is considered a replacement of share awards which resulted in modification accounting for the equity settled share-based payment which has been applied in the Financial Statements of the Company. Since new ESOPs that are granted are having a longer vesting period when compared to the vesting period under the Finnov ESOP scheme, the modification is non-beneficial to employees and is ignored for accounting purposes.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the Option pricing model used for the years ended:

	March 31, 2025	March 31, 2024
Weighted average exercise price (INR)	10.00	10.00
Weighted average fair value of the options at the grant dates (INR)	20,998.32	24,167.00
Dividend yield	0.00%	0.00%
Risk free interest rate	6.63% to 7.20%	6.96% to 7.26%
Expected volatility	28.00% to 41.50%	36.15% to 46.53%
Expected life of the options	1 to 4 years	1 to 4 years

During the current year, the Company has also issued "At the money" ESOPs, i.e the exercise price is equal to the fair value of the equity shares as at the grant date. The details of these ESOPs are separately disclosed are as under:

Weighted average exercise price (INR)	24,175.13	-
Weighted average fair value of the options at the grant dates (INR)	4,515.00	-
Dividend yield	0.00%	-
Risk free interest rate	6.90%	-
Expected volatility	37.00%	-
Expected life of the options	2 years	-

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36 Leases

The Company has certain lease arrangements for premises. These lease arrangements range for a period between 12 and 60 months, which include both cancellable and non-cancellable leases. The leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Operating leases where the Company is a lessee:

(Ia) Details of right-of-use assets are as follows:

	Category of ROU asset	
	Premises	
	March 31, 2025	March 31, 2024
Opening Balance at the beginning of the year	**1,637.24**	**319.84**
Additions	1,014.35	1,602.14
Adjustment with opening balance due to modification	6.62	(3.51)
Amortization (refer Note 30)	(645.27)	(281.23)
Closing balance at the end of the year	**2,012.94**	**1,637.24**

(Ib) Lease liabilities

	Category of Lease Liability	
		Premises
Opening Balance at the beginning of the year	**1,627.10**	**338.60**
Additions	970.48	1,528.82
Adjustment with opening balance due to modification	6.62	(3.45)
Lease payments	(777.45)	(343.35)
Interest on lease liabilities (refer Note 26)	307.13	106.48
Closing balance at the end of the year	**2,133.88**	**1,627.10**

(II) Maturity analysis of lease liabilities

Upto one year	553.25	350.55
More than one year upto 5 years	1,580.63	1,276.55
Total	**2,133.88**	**1,627.10**

(III) Amounts recognised in Statement of Profit and Loss account

Interest on lease liabilities (refer Note 26)	307.13	106.48
Amortization of right-of-use assets (refer Note 30)	645.27	281.23

(IV) Amounts recognised in Statement of Cash Flows

Total cash outflow for leases	777.45	343.35

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37 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company
Finnov Private Limited, Singapore (refer Note 20(b)(h)) (upto July 17, 2024)

Other related parties

(a) **Fellow subsidiary/Entity in which Directors are interested**
Finnovation Tech Solutions Private Limited (refer note below)

(b) **Key Management Personnel (KMP)**
Madhusudan Ekambaram, Director
(Non-executive Director upto August 31, 2024; Executive Director w.e.f. September 1, 2024)
Karthikeyan Krishnaswamy, Director
(Non-executive Director upto August 31, 2024; Executive Director w.e.f. September 1, 2024)
Vivek Veda, Director
Pallavi Lingaraju, Company secretary (w.e.f. February 7, 2025)

(c) **Relatives of KMP & Entities controlled by relatives of KMP**
Nutan Soudagar (Wife of Madhusudan Ekambaram)
Anil Veda (Father of Vivek Veda)
Vibha Veda (Mother of Vivek Veda)
Vani Jain (Wife of Vivek Veda)
Krishnaswamy Bhanumathi (Mother of Karthikeyan Krishnaswamy)
Marappa Krishnaswamy (Father of Karthikeyan Krishnaswamy)
Sattanathan Viswanathan (Mother-in-law of Karthikeyan Krishnaswamy)
Sreenidhi Sattanathan (Wife of of Karthikeyan Krishnaswamy)
Marappa Krishnaswamy HUF
Krishnaswamy Karthikeyan HUF
AV Consultancy Services

(d) **Independent directors**
Abhishek Singhvi
Adesh Gupta
Gopalakrishna Gurrappa (upto July 22, 2024)
Shashikala Ramachandra (w.e.f. July 19, 2024)

(e) **Relatives of Independent directors**
Anish Gupta (son of Adesh Gupta)

(f) Post employment benefit plans
Krazybee Services Private Limited Group Gratuity Trust Fund

Note:
Refer Note 20(b)(h) of the Financial Statements. Pursuant to this distribution, Finnovation Tech Solutions Private Limited ceased to be a "Fellow Subsidiary" of the Company and is considered to be an "Entity with common directors" w.e.f. July 17, 2024.

	March 31, 2025	March 31, 2024
(B) Details of transactions with related party in the ordinary course of business for the year ended:		
(i) Particulars		
A) Transactions during the year*:		
Commission recovery		
Finnovation Tech Solutions Private Limited	68.24	-
Salary Cross Charge (Income)		
Finnovation Tech Solutions Private Limited	197.99	103.05
Interest income in loan		
Anish Gupta	0.08	0.13

	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.):		
Purchase of services		
Finnovation Tech Solutions Private Limited	35,381.63	30,414.02
Deficiency recovery expenses		
Finnovation Tech Solutions Private Limited	1,977.30	2,670.27
Salary Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	106.18	158.06
Rent Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	1,197.53	741.67
Asset Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	297.74	-
Reimbursement of expenses		
Vivek Veda	14.47	9.67
Madhusudan Ekambaram	12.15	-
Pallavi Lingaraju	0.08	-
Share based payment expenses		
Finnov Private Limited	-	27.80
Trademark Usage Fees		
Finnov Private Limited	-	0.70
Purchase of Trademark		
Finnov Private Limited	-	0.55
Remuneration to directors#		
Vivek Veda (includes Rs. 727.46 lakhs (FY24: Rs. 2,369.44 lakhs) towards share based payment expense)	1,337.54	2,590.34
Madhusudan Ekambaram (includes Rs. 5,295.10 lakhs (FY24: Nil) towards share based payment expense)	5,422.91	-
Karthikeyan Krishnaswamy (includes Rs. 1,019.66 lakhs (FY24: Nil) towards share based payment expense)	1,214.29	-
Remuneration to Key managerial personnel#		
Pallavi Lingaraju (includes Rs. 0.73 lakhs (FY24: Nil) towards share based payment expense)	8.61	-
Non-executive/Independent Director sitting fees*		
Abhishek Singhvi	21.00	15.00
Adesh Gupta	21.50	15.50
Gopalakrishna Gurrappa	6.00	11.50
Shashikala Ramachandra	12.00	-
Employee transfer arrangement (in) (Employee benefit plan balances & ESOP reserve)		
Finnovation Tech Solutions Private Limited	56.30	1,217.67
Employee transfer arrangement (out) (Employee benefit plan balances & ESOP reserve)		
Finnovation Tech Solutions Private Limited	25.76	-
Dividend paid during the year		
Finnov Private Limited	-	3,353.86
Share issued during the year (refer Note 19(a) and 19(b))		
Finnov Private Limited	-	2,263.04
Corporate gurantee fees		
Finnovation Tech Solutions Private Limited	829.68	440.38
Issue of personal loan		
Anish Gupta	-	1.60
Repayment received on personal loan		
Anish Gupta	0.74	0.86

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	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.):		
Finance cost		
Madhusudan Ekambaram	23.01	40.73
Nutan Soudagar	9.47	8.42
Anil Veda	2.29	2.23
Vani Jain	2.85	2.16
Vibha Veda	2.51	2.50
Vivek Veda	29.98	11.16
Krishnaswamy Bhanumathi	3.90	6.94
Marappa Krishnaswamy	0.97	1.73
Sattanathan Viswanathan	-	2.41
Sreenidhi Sattanathan	1.36	5.41
Marappa Krishnaswamy HUF	7.67	-
Krishnaswamy Karthikeyan HUF	15.34	-
AV Consultancy Services	0.90	-
Issue of non-convertible debentures		
Madhusudan Ekambaram	300.00	400.00
Nutan Soudagar	80.00	-
Anil Veda	20.00	20.00
Vani Jain	30.00	20.00
Vibha Veda	20.00	20.00
Vivek Veda	260.00	100.00
Krishnaswamy Bhanumathi	-	80.00
Marappa Krishnaswamy	-	20.00
Sreenidhi Sattanathan	-	50.00
Marappa Krishnaswamy HUF	100.00	-
Krishnaswamy Karthikeyan HUF	200.00	-
AV Consultancy Services	20.00	-
Redemption of non-convertible debentures		
Madhusudan Ekambaram	-	400.00
Nutan Soudagar	-	70.00
Anil Veda	20.00	10.00
Vani Jain	20.00	-
Vivek Veda	100.00	20.00
Vibha Veda	20.00	20.00
Krishnaswamy Bhanumathi	80.00	-
Marappa Krishnaswamy	20.00	-
Sattanathan Viswanathan	-	20.00
Sreenidhi Sattanathan	50.00	-
Corporate guarantees received		
Finnovation Tech Solutions Private Limited	87,578.29	61,352.40
Contribution to post employment benefit plan trust		
Krazybee Services Private Limited Group Gratuity Trust Fund	376.36	-

**Note: Transaction values are excluding taxes and duties*
#Provisions for gratuity, compensated absences and other long term service benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above.

B) Balances as at year end:		
Other Receivables		
Finnovation Tech Solutions Private Limited	1,446.20	1,217.67
Trade Payables		
Finnovation Tech Solutions Private Limited	7,978.80	7,363.75
Finnov Private Limited	-	0.02

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	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.)		
Other Payable		
Finnovation Tech Solutions Private Limited	185.50	405.40
Personal loan (including accrued interest):		
Anish Gupta	-	0.75
Non-convertible debentures (including accrued interest):		
Nutan Soudagar	80.33	-
Anil Veda	20.08	20.07
Vani Jain	30.12	20.08
Vibha Veda	20.08	20.07
Vivek Veda	261.07	100.39
Krishnaswamy Bhanumathi	-	80.27
Marappa Krishnaswamy	-	20.07
Sreenidhi Sattanathan	-	50.20
Madhusudan Ekambaram	301.23	-
Marappa Krishnaswamy HUF	100.41	-
Krishnaswamy Karthikeyan HUF	200.82	-
AV Consultancy Services	20.08	-

(c) **Terms and conditions of transactions with related parties:**
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(d) Rs. 22,132.69 lakhs (March 31, 2024: Rs. 22,470.13 lakhs) is in the nature of transaction costs which are included in the "Effective Interest Rate" of the loan receivables of the Company. Accordingly, the same have been classified under "Interest Income" in Note 22 and of this amount, Rs. 17,112.82 lakhs (March 31, 2024: Rs. 15,732.94 lakhs) has been recognized as effective interest income during the year. The total effective interest income recognized including amortization of prior year deferrals is Rs. 23,737.35 lakhs (March 31, 2024: Rs. 19,111.72 lakhs).

(e) The Company has Corporate Guarantees provided by Finnovation Tech Solutions Private Limited aggregating to Rs. 79,187.02 lakhs (March 31, 2024: Rs. 29,258.51 lakhs) corresponding to outstanding credit facilities as on March 31, 2025.

(f) Corporate Guarantee fees of Rs. 829.68 lakhs (March 31, 2024: Rs. 440.38 lakhs) are in the nature of transaction costs which are included in the "Effective Interest Rate" of the borrowings of the Company. Accordingly the same have been classified as "Finance cost" in Note 26 and of this amount, Rs. 319.30 lakhs (March 31, 2024: Rs. 180.15 lakhs) have been recognised as effective interest expense during the year. The total effective interest expense recognized including amortization of prior year deferrals is Rs. 577.28 lakhs (March 31, 2024: Rs. 180.15 lakhs).

	Year ended March 31, 2025	Year ended March 31, 2024
38 Revenue from contracts with customers		
Types of services:		
Service Fees	45,773.60	13,052.52
Foreclosure income	13,687.41	3,826.20
Commission recovery	74.38	-
Total	59,535.39	16,878.72
Geographical markets:		
In India	59,535.39	16,878.72
Outside India	-	-
Total	59,535.39	16,878.72
Timing of revenue recognition:		
Services transferred at a point in time	47,695.54	16,370.27
Services transferred over time	11,839.85	508.45
Total	59,535.39	16,878.72

(All amounts are in Rs. Lakhs, unless otherwise stated)

39 Segment reporting

The Company's operations predominantly relate to providing consumer lending. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Additionally, the Company operates only in India, hence, no separate segment information has been furnished herewith.

40 Financial risk management objectives and policies :

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

It is the risk that the value of on and off-balance sheet positions of the Company will be adversely affected by movements in market rates or prices such as interest rates, currency exchange rates or credit spreads resulting in a loss to earnings and capital. Market risk is monitored by assessments of fluctuation in the equity price, unhedged foreign exchange exposures, interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities. This risk is managed by the Company's treasury team under the guidance of the Asset-Liability Committee.

(i) Interest rate risk

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings and is exposed to changes in market interest rates on borrowings at variable interest rates.

	March 31, 2025	March 31, 2024
Interest rate risk exposure		
Below is the overall exposure of the Company to interest rate risk:		
Variable rate borrowings	123,603.44	110,416.82

Interest rate sensitivity

The following table demonstrates the sensitivity to a change in interest rates on variable interest borrowings:

	Increase/ (decrease)	Effect on profit before tax
March 31, 2025		
Rs.	+50	618.02
Rs.	-50	(618.02)
March 31, 2024		
Rs.	+50	552.08
Rs.	-50	(552.08)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no outstanding foreign currency exposure.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to Rs.Nil at closing rate, is as follows:

Financial liabilities	Nil	Nil

Foreign currency sensitivity

The Company does not have exposure to any other foreign currencies.

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40 Financial risk management objectives and policies (contd.):

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's loans to customers, trade receivables, other financial assets, investments in mutual funds & corporate bonds, cash and deposits held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing credit risk is to prevent or reduce losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) Credit risk management

Credit risk management policy of the Company provides guidelines for identification, assessment, management, monitoring and control of credit risk. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are overdue for a period exceeding 30 days. A default on financial assets occurs when the counterparty fails to make contractual payments for a period of 90 days or more. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company evaluates credit risk of the portfolio at a borrower level and not individual facility levels in accordance with the RBI regulations.

Managing credit risk is the most important part of overall risk management function. The Company's credit risk function is headed by the Risk Head who is responsible for the key policies & processes for managing credit risk, which include formulating credit policies & risk rating frameworks, guiding the Company's appetite for credit risk exposures, undertaking independent reviews, making objective assessments of credit risk, monitoring performance & product mix and management of portfolios. The principal objectives being maintaining a strong culture of responsible lending across the Company, robust risk policies & control frameworks, implementing & continually re-evaluating the Company's risk appetite and ensuring there is adequate monitoring of credit risks, credit costs & risk mitigation.

Credit risk is measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various metrics such as installment default rate, overdue position, EMI moratorium, restructuring, collection efficiency, credit bureau information, proprietary scorecards, non-performing loans etc. are used as leading indicators to assess credit risk.
The Company remains in high vigilance mode and continues to adapt credit policy / underwriting standards in line with emerging risk metrics across the different business portfolios; and constantly monitors various external market indicators.

Macro Economic Variables:

The Company adjusts the expected credit loss model parameters for forward looking information, macro-economic variables and economic forecasts which have a reasonable correlation with the collection performance and portfolio risk. These include economic indicators such as inflation rates, unemployment index, GDP growth rates, etc. The Company recalibrates the model periodically as and when portfolios mature by:
1. using the available incremental and recent information, except where these informations do not represent the future outcome; and
2. assessing changes to its statistical techniques for a granular estimation of ECL.

Accordingly, the incremental information of the portfolio for certain period of the pandemic have not been considered in the model due to the distortion caused by the pandemic induced lockdown resulting in very low economic activity, unforeseen distortion of customers' financial position and volatile repayment behaviour, leading to RBI announcing installment moratoriums and resolutions. These distortions do not represent the current portfolio at risk & collection performance and have been considered as outliers.

The Company provides for expected credit loss based on the following:

Asset group	Basis for categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Loans to customers	Life time expected credit loss
High credit risk	Loans to customers	Life time expected credit loss

(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
40 Financial risk management objectives and policies (contd.):		
Financial assets that expose the entity to credit risk:		
Low credit risk		
Cash and cash equivalents	18,222.24	21,510.17
Bank balances other than above	21,308.96	7,347.26
Trade receivables	1,443.36	416.27
Loans to customers*	565,527.95	460,055.36
Other financial assets	4,915.03	5,307.66
Moderate credit risk		
Loans to customers*	13,676.34	11,253.23
High credit risk		
Loans to customers*	16,894.32	11,052.55

* Represents gross values of the financial assets

Cash & cash equivalents and Bank deposits

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

Investments

For investments in mutual funds, the Company transacts with asset management companies having strong track record and invests in liquid funds and short term funds where the underlying investments are predominantly placed in government and treasury securities and highly rated corporate bonds. Investments in corporate bonds are made with companies having strong credit ratings.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become overdue and default is considered to have occurred when amounts receivable become 90 days past due.

Trade receivables

Trade receivables represents trade receivables from fintech platforms as well as receivables for services rendered to platforms.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits, receivables from intermediaries and other miscellaneous receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(ii) Expected credit losses for financial assets other than loans:

The Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low/negligible.

- For investments in mutual funds and Corporate bonds - Credit risk is considered low/negligible because the Company deals with high quality assets and instruments with strong credit ratings.

- For Trade receivables - Credit risk is considered low because these balances are with companies with strong financial resources and the balances are held for shorter periods.

- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature. Additionally, these balances are held in escrow for onward disbursements as well as collections from customers pending settlement.

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40 Financial risk management objectives and policies (contd.):

(iii) Expected credit loss for loans

Credit default risk

Considering the nature of advances, the Company believes that the quantitative criteria for setting the definition of default is appropriate and sufficient. The management has also considered other qualitative aspects in the pooling and stratification of the portfolio (i.e. sub-product structures as well as customer repeatability) to facilitate a more granular estimation of probabilities of default. The Company has therefore set out the following definition of default for all loan products:

Quantitative criteria: Exposures that have one or more installment(s) overdue for 90 days or more.

Qualitative criteria: Event specific factors that indicate either a significant increase in credit risk or credit impairment.

Expected credit loss measurement

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

Stage 1 - Credit risk has not increased significantly since initial recognition - Recognise 12-months ECL, and recognize interest on a gross basis;

Stage 2 - Credit risk has increased significantly since initial recognition - Recognise lifetime ECL, and recognise interest on a gross basis;

Stage 3 - Financial asset is credit impaired - Recognise lifetime ECL and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).

Significant increase in credit risk

The Company believes that there is a significant increase in credit risk when days past due crosses 30 days.

Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

- EAD is based on the amounts that the Company expects to be owed at the time of default over the next 12 months or remaining lifetime of the instrument.

- LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and remains unaffected from the fact that whether the financial instrument is a Stage 1, or Stage 2 or even Stage 3 asset.

Probability of default (PD) computation model

PD or default rate is an estimate of the likelihood of the default event occurring in the future. Accordingly, a lower PD signifies lower credit risk. PD is estimated by using historical data, and is done over a particular time horizon. It is arrived by using vintage analysis over the historical default data to assess how default rates change over time, factors in the current macro economic data and computes the risk of default in the next 12 months or the remaining life of the loan.

Loss given default (LGD) computation model

Loss given default (LGD) is defined as the percentage of economic loss in case of default. LGD computation is based on the lender's losses on defaulted accounts after the consideration of expected recoveries. The management believes that the LGDs depicted basis the historical data is not representative of the future for certain products with low vintage and the historical data is insufficient to make a realistic assessment of account collectibility. The management has applied an override on the LGD percentages for these specific products so as to depict the expected loss rates in the near term.

Write off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The outstanding contractual amounts of such assets written off during the year ended March 31, 2025 was Rs. 49,385.59 (March 31, 2024: Rs. 21,840.17). However, collection efforts continue on such accounts as these are legally due to the Company.

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(All amounts are in Rs. Lakhs, unless otherwise stated)

40 Financial risk management objectives and policies (contd.):

The table below summarises the stage-wise gross carrying values and the associated allowances for expected credit loss (ECL) on the loan portfolio:

March 31, 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	565,527.95	13,676.34	16,894.32	596,098.61
Less: Allowance for ECL	10,108.42	8,506.00	12,563.53	31,177.95
Net carrying value	**555,419.53**	**5,170.34**	**4,330.79**	**564,920.66**
ECL Coverage Ratio	**1.79%**	**62.19%**	**74.37%**	**5.23%**

March 31, 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	460,055.36	11,253.23	11,052.55	482,361.14
Less: Allowance for ECL	10,652.57	7,088.21	7,927.17	25,667.95
Net carrying value	**449,402.79**	**4,165.02**	**3,125.38**	**456,693.19**
ECL Coverage Ratio	**2.32%**	**62.99%**	**71.72%**	**5.32%**

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Management of the Company monitors the liquidity position and cash & cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The policy involves preparation and analysis of liquidity gap reports, stress testing based on estimates of cash inflows and also taking preventive and corrective measures to manage risk. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The table below summarises the maturity profile of the undiscounted contractual cashflow of the Company's financial liabilities :

March 31, 2025	Less than 1 year	1 to 3 years	3 to 5 years	Total
Debt Securities	141,060.64	32,668.85	-	173,729.49
Borrowings other than debt securities	189,268.72	18,289.50	1,827.26	209,385.48
Trade payables	14,063.67	0.92	-	14,064.59
Other financial liabilities	8,164.94	1,580.63	-	9,745.57
	352,557.97	52,539.90	1,827.26	406,925.13
March 31, 2024				
Debt Securities	97,030.27	32,540.58	-	129,570.85
Borrowings other than debt securities	151,515.61	9,612.62	-	161,128.23
Trade payables	12,881.74	1.60	-	12,883.34
Other financial liabilities	6,443.57	1,276.55	-	7,720.12
	267,871.19	43,431.35	-	311,302.54

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(All amounts are in Rs. Lakhs, unless otherwise stated)

40 Financial risk management objectives and policies (contd):

(D) Operational risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year, this helps to identify process gaps on timely basis. Further IT and Operations have a dedicated compliance and control units within the function who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of operations including services to customers, if any eventuality is to happen such as natural disasters, technological outage etc. Robust periodic testing is carried, and results are analysed to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

(E) Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans:

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2024	**460,055.36**	**10,652.57**	**11,253.23**	**7,088.21**	**11,052.55**	**7,927.17**	**482,361.14**	**25,667.95**
Transfers during the year							-	-
- To Stage 1	23.54	14.30	(22.09)	(13.22)	(1.45)	(1.08)	-	-
- To Stage 2	(4,147.72)	(64.55)	4,149.06	65.53	(1.34)	(0.98)	-	-
- To Stage 3	(37,466.72)	(1,970.14)	(9,254.43)	(5,836.75)	46,721.15	7,806.89	-	-
	(41,590.90)	**(2,020.39)**	**(5,127.46)**	**(5,784.44)**	**46,718.36**	**7,804.83**	-	-
Impact of changes in credit risk on account of stage movements	-	(13.91)	-	1,068.89	-	39,471.23	-	**40,526.21**
Changes in opening credit exposures	(393,575.70)	(8,191.53)	(4,218.42)	(1,233.65)	(10,708.94)	(8,929.27)	**(408,503.06)**	**(18,354.45)**
New credit exposures during the year (net of repayments)	540,639.19	9,681.68	11,768.99	7,366.99	26,692.19	23,149.41	**579,100.37**	**40,198.08**
Amounts written-off	-	-	-	-	(56,859.84)	(56,859.84)	**(56,859.84)**	**(56,859.84)**
As at March 31, 2025	**565,527.95**	**10,108.42**	**13,676.34**	**8,506.00**	**16,894.32**	**12,563.53**	**596,098.61**	**31,177.95**

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2023	230,611.90	3,472.85	5,524.79	2,862.14	5,537.62	3,507.70	**241,674.31**	9,842.69
Transfers during the year							-	-
- To Stage 1	9.20	4.56	-6.52	-3.04	-2.68	-1.52	-	-
- To Stage 2	(1,870.87)	(22.19)	1,870.87	22.19	-	-	-	-
- To Stage 3	(15,184.28)	(575.31)	(4,509.76)	(2,342.83)	19,694.04	2,918.14	-	-
	(17,045.95)	**(592.94)**	**(2,645.41)**	**(2,323.68)**	**19,691.36**	**2,916.62**	-	-
Impact of changes in credit risk on account of stage movements	-	96.85	-	423.16	-	17,805.03	-	**18,325.04**
Changes in opening credit exposures	(204,345.83)	(2,777.70)	(2,118.71)	(501.66)	(5,683.39)	(5,054.03)	**(212,147.93)**	**(8,333.39)**
New credit exposures during the year (net of repayments)	450,835.24	10,453.51	10,492.56	6,628.25	18,396.36	15,641.25	**479,724.16**	**32,723.01**
Amounts written-off	-	-	-	-	(26,889.40)	(26,889.40)	**(26,889.40)**	**(26,889.40)**
As at March 31, 2024	**460,055.36**	**10,652.57**	**11,253.23**	**7,088.21**	**11,052.55**	**7,927.17**	**482,361.14**	**25,667.95**

(All amounts are in Rs. Lakhs, unless otherwise stated)

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern. Regulatory capital related information is presented as part of the RBI mandated disclosures.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		March 31, 2025	March 31, 2024
Total equity	(i)	235,581.91	205,033.94
Debt securities	(ii)	161,635.21	120,184.10
Borrowings other than debt securities	(iii)	198,705.63	153,787.36
Total debt	(iv)=(ii)+(iii)	360,340.84	273,971.46
Less: Cash and bank balances & liquid investments	(v)	19,005.79	22,488.26
Net debt	(vi) = (iv)-(v)	**341,335.05**	**251,483.20**
Gearing ratio	(vi)/(i)	**1.45**	**1.23**

No changes were made in the objectives, policies or processes for managing capital during the years presented.

42 Change in liabilities arising from financing activities

Particulars	April 01, 2024	Net Cash flows	March 31, 2025
Debt securities	120,184.10	41,451.11	161,635.21
Borrowings other than debt securities	153,787.36	44,918.27	198,705.63
Total liabilities from financing activities	273,971.46	86,369.38	360,340.84

Particulars	April 01, 2023	Net Cash flows	March 31, 2024
Debt securities	72,050.90	48,133.20	120,184.10
Borrowings other than debt securities	57,308.37	96,478.99	153,787.36
Total liabilities from financing activities	129,359.27	144,612.19	273,971.46

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(All amounts are in Rs. Lakhs, unless otherwise stated)

43 Financial instruments and fair value disclosures

The carrying value and fair value of financial assets and liabilities are as follows:

	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Fair value
As at March 31, 2025					
Financial assets					
Cash and cash equivalents	-	-	18,222.24	18,222.24	18,222.24
Bank balances other than above	-	-	21,308.96	21,308.96	21,308.96
Trade receivables	-	-	1,443.36	1,443.36	1,443.36
Loans	-	-	564,920.66	564,920.66	564,920.66
Other financial assets	-	-	4,915.03	4,915.03	4,915.03
Total financial assets	-	-	**610,810.25**	**610,810.25**	**610,810.25**
Financial liabilities					
Trade payables	-	-	14,064.59	14,064.59	14,064.59
Debt securities	-	-	161,635.21	161,635.21	161,635.21
Borrowings (other than debt securities)	-	-	198,705.63	198,705.63	198,705.63
Other financial liabilities	-	-	9,745.57	9,745.57	9,745.57
Total financial liabilities	-	-	**384,151.00**	**384,151.00**	**384,151.00**
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	-	-	21,510.17	21,510.17	21,510.17
Bank balances other than above	-	-	7,347.26	7,347.26	7,347.26
Trade receivables	-	-	416.27	416.27	416.27
Loans	-	-	456,693.19	456,693.19	456,693.19
Other financial assets	-	-	5,307.66	5,307.66	5,307.66
Total financial assets	-	-	**491,274.55**	**491,274.55**	**491,274.55**
Financial liabilities					
Trade payables	-	-	12,883.34	12,883.34	12,883.34
Debt securities	-	-	120,184.10	120,184.10	120,184.10
Borrowings (other than debt securities)	-	-	153,787.36	153,787.36	153,787.36
Other financial liabilities	-	-	7,720.12	7,720.12	7,720.12
Total financial liabilities	-	-	**294,574.92**	**294,574.92**	**294,574.92**

Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

There were no financial assets or financial liabilities measured at fair value through OCI in the previous year.

The carrying amount of trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, borrowings, debt securities, deposits, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

There have been no transfers among Level 1, Level 2 and Level 3 categories during the year.

TATTVAM & CO. Chartered Accountants

KRAZYBEE SERVICES PVT. LTD. Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
44 Expenditure in foreign currency (on accrual basis)		
Customer Support Expenses	92.57	-
Legal Expenses	17.31	-
Technical Expenses	23.93	-
Total	133.81	-
45 Contingencies and commitments:		
Capital commitments	85.76	-
Loan commitments*	396.51	5.32
Towards default loss guarantee	16,523.18	4,892.58
Indirect tax demands (Refer Note 2 below)	14,162.38	-
	31,167.83	4,897.90

* *Represents loans which have been sanctioned and pending disbursement as at March 31, 2025.*

Notes:

1) During the FY 2022-23, as part of an industry wide investigation carried by an investigation agency ("Agency") on the digital lending applications and the financial institutions lending on such applications, cash and bank balances of Rs. 3,305.31 lakhs and Rs. 1,606.53 lakhs of balances pending settlement from intermediaries of the Company have been frozen pursuant to an order by the Agency. In response to such action, the Company had filed a petition before the Hon'ble High Court of Telangana seeking quashing of the Agency's order.

The Hon'ble High Court vide its order dated March 11, 2025 quashed the proceedings against the Company. Upon the passing of the order, the Company is waiting for the completion of the 90 day period provided under law to the Directorate of Enforcement to appeal against the order. The Company will, upon completion of the 90 days period, make a representation before the ED for releasing the amounts. Accordingly, as per the Management's assessment, no provisions are required to be created in the Financial Statements.

2) The Company has received a show cause notice vide which tax liability amounting to Rs. 7,565.32 lakhs and related interest & penalty have allegedly been ascertained with respect to applicability of Goods and Service Tax (GST) on "Deficiency Service Income" received by the Company. The Company has taken legal opinion from a reputed Senior Advocate and also an advice from a reputed Chartered Accountant firm expert on the said matter. In the opinion and the advise respectively, the Senior Advocate and the independent Chartered Accountant firm are of the view that GST is not required to be paid on the Deficiency Service Income booked by the Company. Further, the Company has filed writ petition before the Hon'ble High Court of Karnataka to issue an order/direction to quash the show cause notice and to refund the amount paid earlier under protest. The Hon'ble High Court has passed interim order dated July 15, 2024 staying the notice issued by the GST department.

In light of above and as per the management's assessment, there is no need to create any provisions in the Financial Statements. However, in line with expert opinions and applicable Ind AS, Company has disclosed the tax liability amounting to Rs. 14,162.38 Lakhs (tax amounting to Rs. 7,565.32 lakhs, interest amounting to Rs. 5,840.52 lakhs calculated till March 31, 2025 and penalty amounting to Rs. 756.53 lakhs).

46 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021:

(i) The Company does not own any immovable property as at March 31, 2025.
(ii) The Company does not own any investment property as at March 31, 2025.
(iii) The Company has not revalued its Property, Plant and equipment during the year ended March 31, 2025.
(iv) The Company has not revalued its intangible assets during the year ended March 31, 2025.
(v) The Company has not granted any loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:
(a) repayable on demand
(b) without specifying any terms or period of repayment
(vi) The Company does not have any capital work-in-progress as at March 31, 2025.
(vii) The Company does not have any intangible assets under development as at March 31, 2025.
(viii) No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
(ix) The Company has taken borrowings from banks on the basis of security of its loan receivables. The Company has filed all the monthly/quarterly statements/returns with the banks as per the terms and conditions of the facility agreement and no discrepancies are noted with the books of accounts & Financial Statements of the Company.
(x) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof.
(xi) The Company has not had any transaction with the companies struck off under section 248 of The Companies Act, 2013 or section 560 of The Companies Act, 1956.
(xii) The Company has not defaulted in registration or satisfaction of charges with the Registrar of Companies.
(xiii) The Company does not have a subsidiary and hence has complied with the number of investment layers prescribed under section 2(87) of the Companies Act, 2013.

46 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021 (contd.):

(xiv) The Company has not entered into any scheme of arrangement during the year.

(xv) The Company has neither advanced, loaned, invested or received directly or indirectly any funds to/from any entity with the understanding that such funds will be transferred to another person, i.e ultimate beneficiaries/ultimate funding parties.

(xvi) The Company has disclosed all incomes appropriately as per the Indian Accounting Standards and no adjustments are required to be made due to any tax assessments or other requirements of the Income Tax Act, 1961.

(xvii) The Company has not traded or invested in crypto currencies or virtual currencies during the year.

(xviii) The Ministry of Corporate Affairs (MCA), under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended from time to time, require Companies to only use accounting softwares for maintaining its books of account that have a feature of recording audit trail of every transaction, creating an edit log of each change made in the books of account, the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the Company had been using an accounting software which complied with the aforementioned regulations. However, the Company fully transitioned into another ERP from July 1, 2024 which did not have the audit trail feature at a database level as on the implementation date. The software developers subsequently released a patch update to comply with the requirement and the Company has updated its systems as at March 12, 2025.

47 The Board of Directors of the Company in the meeting dated May 21, 2025 have approved the Scheme of Arrangement between the Company ("Transferee Company") and Finnovation Tech Solutions Private Limited ("Transferor Company") in respect of:
(i) the merger of the Transferor Company into the Transferee Company and the consequent dissolution of the Transferor Company without being wound up;
(ii) the consequent issuance of the new equity shares or new Compulsorily Convertible Preference Shares, as the case may be, by the Transferee Company to the shareholders of the Transferor Company as at the Record Date (as defined in the Scheme) in accordance with the Share Entitlement Ratio defined in the Scheme;
(iii) the reduction of securities premium account of the Transferee Company; and
(iv) various other matters consequential, incidental, supplementary or otherwise integrally connected therewith.

48 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

49 Disclosures pursuant to the RBI notification no. RBI/DoR/2023-24/105 - Master Direction DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 - Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 (the "Master Direction") (as amended from time to time) have been provided in the "Annexures to the Financial Statements". These disclosures have been prepared based on this Ind-AS complaint Financial Statements of the Company.

50 Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

Annexures to the Financial Statements

Schedule to the Balance sheet

Particulars			March 31, 2025		March 31, 2024	
Liabilities side			Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:					
		Debentures:				
	(a)	Secured	152,185.52	-	105,012.70	-
		Unsecured	-	-	-	-
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	113,522.46	-	101,570.43	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	9,449.69	-	15,171.40	-
	(f)	Public Deposits	-	-	-	-
	(i)	Other Loans:				
		- Securitisation liabilities	24,694.98	-	17,251.94	-
		- Bank overdraft	26,715.84	-	16,460.11	-
		- Working capital loans	32,523.75	-	18,504.88	-
		- Inter corporate deposits	1,248.60	-	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):					
	(a)	In the form of Unsecured debentures	-	-	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c)	Other public deposits	-	-	-	-

Assets side				March 31, 2025	March 31, 2024
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]				
	(a)	Secured		15,403.24	353.20
	(b)	Unsecured		549,517.42	456,339.99
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities:				
	(i)	Lease assets including lease rentals under sundry debtors:			
		(a)	Financial lease	-	-
		(b)	Operating lease	-	-
	(ii)	Stock on hire including hire charges under sundry debtors:			
		(a)	Assets on hire	-	-
		(b)	Repossessed Assets	-	-
	(iii)	Other loans counting towards asset financing activities:			
		(a)	Loans where assets have been repossessed	-	-
		(b)	Loans other than (a) above	-	-
(5)	Break-up of Investments				
	Current Investments				
	1	Quoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-
	2	Unquoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-

KRAZYBEE SERVICES PVT. LTD. Bangalore

TAYYAM & CO. NEW DELHI Chartered Accountants

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	Long Term Investments				
1	Quoted				
	(i)	Share			
		(a) Equity		-	-
		(b) Preference		-	-
	(ii)	Debentures and Bonds		-	-
	(iii)	Units of mutual funds		-	-
	(iv)	Government Securities		-	-
	(v)	Others (please specify)		-	-
2	Unquoted				
	(i)	Shares			
		(a) Equity		-	-
		(b) Preference		-	-
	(ii)	Debentures and Bonds		-	-
	(iii)	Units of mutual funds		-	-
	(iv)	Government Securities		-	-
	(v)	Others - Fixed Deposit		-	-

(6) **Borrower group-wise classification of assets financed as in (3) and (4) above:**

Category			As on March 31, 2025			As on March 31, 2024		
			Amount net of provisions			Amount net of provisions		
			Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related Parties **							
	(a)	Subsidiaries	-	-	-	-	-	-
	(b)	Companies in the same group	-	-	-	-	-	-
	(c)	Other related parties	-	-	-	-	0.75	0.75
2	Other than related parties		15,403.24	549,517.42	564,920.66	353.20	456,339.24	456,692.44
	Total		**15,403.24**	**549,517.42**	**564,920.66**	**353.20**	**456,339.99**	**456,693.19**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and

Category			March 31, 2025		March 31, 2024	
			Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties **					
	(a)	Subsidiaries	-	-	-	-
	(b)	Companies in the same group	-	-	-	-
	(c)	Other related parties	-	-	-	-
2	Other than related parties		-	-	-	-
	Total		-	-	-	-

(8) **Other Information**

Particulars			March 31, 2025	March 31, 2024
(i)	Gross Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	16,894.32	11,052.55
(ii)	Net Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	4,330.79	3,125.38
(iii)	Assets acquired in satisfaction of debt		-	-

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TAYYAM & CO
NEW DELHI
Chartered Accountants

KRAZYBEE SERVICES PVT. LTD.
Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(9) Loans to Directors, Senior Officers and Relatives of Directors

Particulars	March 31, 2025	March 31, 2024
Directors and their relatives	-	1.60
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

(10)

Capital to Risk Assets Ratio	March 31, 2025	March 31, 2024
CRAR %	29.59%	33.89%
CRAR - Tier I Capital (%)	28.34%	32.64%
CRAR - Tier II Capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount rasied by issue of Perpetual Debt Instruments	-	-

(11) Investments

Particulars	March 31, 2025	March 31, 2024
1) Value of Investments		
i) Gross value of investments		
- In India	-	-
- Outside India	-	-
(ii) Provisions for depreciation on investments		
- In India	-	-
- Outside India	-	-
(iii) Net value of investments		
- In India	-	-
- Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provision made during the year	-	-
iii) Less: Write-off /write back of excess provision during the year	-	-
iv) Closing balance	-	-

(12)

Particulars	March 31, 2025	March 31, 2024
Unsecured Advances	578,424.22	482,006.47

(13) Ratings assigned by credit rating agencies and migration of ratings during the year

Rating Agency	Programme	Ratings assigned	Migration during the year
Crisil Ratings	Bank Loan Ratings	Crisil A- Stable	Nil
	Commercial Paper	Crisil A1	Nil
	Non Convertible Debentures	Crisil PPMLD A-/Stable	Withdrawn
	Non Convertible Debentures	Crisil A- Stable	Nil
CARE Ratings	Commercial Paper	CARE A1	Nil
	Bank Loan Ratings	CARE A- Stable	Nil
	Non Convertible Debentures	CARE A- Stable	New Rating
Acuite Ratings & Research	Bank Loan Ratings	Acuite A Stable	Rating has been upgraded from Acuite A- Stable
	Commercial Paper	Not Applicable	Withdrawn
	Non Convertible Debentures	Not Applicable	Withdrawn

KRAZYBEE SERVICES PRIVATE LIMITED
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(All amounts are in Rs. Lakhs, unless otherwise stated)

(14) Provisions and Contingencies

Particulars	March 31, 2025	March 31, 2024
Provision for depreciation on investment	-	-
Provision towards non performing assets*	12,563.53	7,927.17
Provision for standard assets**	18,614.41	17,740.77
Provision for default loss guarantee	4,834.57	3,819.98
Provision towards income tax	9,895.23	11,229.53
Provision for compensated absences	530.04	400.06
Provision for gratuity	193.93	376.37
Contingent liability on default loss guarantee	16,523.18	4,892.58
Contingent liability on indirect tax demands	14,162.38	-

* Represents provision on Stage 3 advances.

** Represents provision on Stage 1 and Stage 2 advances.

(15) a) Concentration of assets

i. Concentration of Advances

Particulars	March 31, 2025	March 31, 2024
Total Advances to twenty largest borrowers	1,605.33	437.54
Percentage of Advances of twenty largest borrowers to Total Advances of the Company	0.27%	0.09%

ii. Concentration of exposures

Particulars	March 31, 2025	March 31, 2024
Total exposure to twenty largest borrowers	1,605.33	437.54
Percentage of exposure of twenty largest borrowers to total exposure of the Company on borrowers	0.27%	0.09%

iii. Concentration of NPA

Particulars	March 31, 2025	March 31, 2024
Total Exposure to top four NPA accounts	74.76	17.48

iv. Sector wise NPAs

Sector	Percentage of NPA to Total Advances in that sector	
	March 31, 2025	March 31, 2024
Agriculture and allied activities	0.00%	0.00%
Industry	3.71%	0.80%
Corporate borrowers	-	-
Services	4.11%	0.99%
Unsecured personal loans	2.78%	2.35%
Loan against property	0.02%	-
Auto Loans	-	-
Other Personal Loans	-	-
Total	2.83%	2.29%

b) Concentration of liabilities

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Number of Significant Counterparties*	Amount	% of Total Deposits	% of Total Liabilities
1	26,773.73	N/A	6.88%

** Based on no. of parties forming greater than 5% of the total liabilities individually.*

(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits)

The Company has not raised any deposits. Accordingly, this disclosure is not applicable.

(iii) Top 10 borrowings (amount in Rs. lakhs and % of total borrowings)

Amount	% of Total Borrowings
106,082.29	29.44%

KRAZYBEE SERVICES PVT. LTD. Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(iv) Funding Concentration based on significant instrument/product

Name of the instrument	Amount	% of Total Liabilities
Non-convertible debentures	152,185.52	39.08%
Commercial papers	9,449.69	2.43%
Term loans from bank	44,465.74	11.42%
Term loans from others	69,056.72	17.73%
Working capital loans	32,523.75	8.35%
Bank overdraft	26,715.84	6.86%
Inter corporate deposits	1,248.60	0.32%
Securitisation liabilities	24,694.98	6.34%

(15) a) Concentration of assets (contd)

(v) Stock Ratios

Particulars	Total Public Funds %	Total Liabilities %	Total Assets %
Commercial papers as a % of total public funds, total liabilities and total assets	2.62%	2.43%	1.51%
Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	0.00%	0.00%	0.00%
Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	7.46%	6.91%	4.30%

(vi) Institutional set-up for liquidity risk management: Refer Note 41(C).

(16) Movement of credit impaired loans

Particulars	March 31, 2025	March 31, 2024
(i) Net NPAs to Net Advances (%)	0.74%	0.66%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	11,052.55	5,537.62
(b) Additions during the year	70,729.47	35,527.42
(c) Reductions during the year	(64,887.71)	(30,012.49)
(d) Closing balance	**16,894.31**	**11,052.55**
(iii) Movement of Net NPAs		
(a) Opening balance	3,125.38	2,029.92
(b) Additions during the year	16,707.52	9,267.78
(c) Reductions during the year	(15,502.12)	(8,172.32)
(d) Closing balance	**4,330.77**	**3,125.38**
(iv) Movement of Provision for NPAs		
(a) Opening balance	7,927.17	3,507.70
(b) Impairment loss allowance made during the year	54,021.95	26,259.64
(c) Write off/ write back of excess allowance	(49,385.59)	(21,840.17)
(d) Closing balance	**12,563.53**	**7,927.17**

(17) Disclosure of frauds as per Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. circular no. RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated 29 September 2016.

Particulars	March 31, 2025	March 31, 2024
a. Persons involved		
Customers	-	-
Total	-	-
b. Type of fraud		
Others	-	-
Total	-	-

KRAZYBEE SERVICES PVT. LTD. Bangalore

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(18) Derivatives

Disclosure with respect to outstanding Cross Currency Interest Rate Swap (CCIRS)

a) Cross Currency Interest Rate Swap

Particulars	March 31, 2025	March 31, 2024
i) The notional principal of swap agreements (USD)	-	-
ii) Losses which would be incurred if counter parties failed to fulfil their obligation under the agreements	-	-
iii) collateral required by the Bank upon entering into swaps	-	-
iv) concentration of credit risk arising from the swaps	-	-
v) fair value of the swap book	-	-

The nature and terms of the Cross Currency Interest Rate Swap

Nature	Terms	Benchmark
Hedging	Not Applicable	Not Applicable

b) Exchange Traded Interest Rate Derivatives - Not applicable

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company's treasury function is responsible for company's access to financial markets. Further, treasury function monitors and manages various risks relating to treasury operations of the Company including currency risk, market risk and liquidity risk. In course of managing these risks, the Company may use various market instruments as permissible for the company based on RBI guidelines and internal approvals. Further, compliance with various policies and exposure limits is reviewed by the Management. The Company does not enter into any trade in financial instruments including derivative financial instruments for speculative purposes.

Quantitative Disclosure

Sr. No.	Particulars	March 31, 2025		March 31, 2024	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) (USD)	-	-	-	-
	a) For hedging*	-	-	-	-
	b) For trading	-	-	-	-
(ii)	Marked to Market Positions	-	-	-	-
	a) Asset (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposure (USD Million)	-	-	-	-

* Pertains to cross currency interest rate swap

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KRAZYBEE SERVICES PVT. LTD. Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(19) Asset Liability Management (ALM)

Maturity pattern of assets and liabilities as on March 31, 2025

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to customers)	23,945.14	18,511.85	11,256.84	63,623.09	62,362.90	170,229.77	144,697.24	70,941.26	18,691.61	11,838.91	596,098.61
3	Investments	-	-	-	-	-	-	-	-	-	-	-
	Total Inflows	**23,945.14**	**18,511.85**	**11,256.84**	**63,623.09**	**62,362.90**	**170,229.77**	**144,697.24**	**70,941.26**	**18,691.61**	**11,838.91**	**596,098.61**
4	Debt Securities	-	273.74	3,247.45	27,229.79	19,070.96	29,225.13	51,229.78	31,358.36	-	-	161,635.21
5	Borrowings (Other than debt securities)	4,972.36	1,026.45	6,151.35	13,251.12	34,531.36	36,826.24	83,254.70	17,035.07	1,656.98	-	198,705.63
6	Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
7	Loan Commitments pending disbursal	396.51	-	-	-	-	-	-	-	-	-	396.51
	Total Outflows	**5,368.87**	**1,300.19**	**9,398.80**	**40,480.91**	**53,602.32**	**66,051.37**	**134,484.48**	**48,393.43**	**1,656.98**	**-**	**360,737.35**

Maturity pattern of assets and liabilities as on March 31, 2024

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to Customer)	17,404.40	18,081.49	19,053.90	61,906.04	57,504.19	137,809.76	107,696.70	50,879.29	11,921.92	103.45	482,361.14
3	Investments	-	-	-	-	-	-	-	-	-	-	-
	Total Inflows	**17,404.40**	**18,081.49**	**19,053.90**	**61,906.04**	**57,504.19**	**137,809.76**	**107,696.70**	**50,879.29**	**11,921.92**	**103.45**	**482,361.14**
4	Debt Securities	2,567.29	99.37	8,575.28	13,082.29	12,144.90	13,990.64	38,461.05	31,263.28	-	-	120,184.10
5	Borrowings (Other than Debt Securities)	21,843.55	3,121.82	6,660.46	12,668.00	23,219.17	35,814.49	41,055.19	9,404.68	-	-	153,787.36
6	Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
7	Loan Commitments pending disbursal	5.32	-	-	-	-	-	-	-	-	-	5.32
	Total Outflows	**24,416.16**	**3,221.19**	**15,235.74**	**25,750.29**	**35,364.07**	**49,805.13**	**79,516.24**	**40,667.96**	**-**	**-**	**273,976.78**

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KRAZYBEE SERVICES PVT. LTD. Bangalore

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020:

As on March 31, 2025:

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	565,527.95	10,108.42	555,419.53	2,262.11	7,846.30
	Stage 2	13,676.34	8,506.00	5,170.34	54.71	8,451.29
	Stage 3	39.66	29.66	10.00	0.16	29.50
Subtotal		**579,243.95**	**18,644.08**	**560,599.87**	**2,316.98**	**16,327.09**
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	16,854.66	12,533.87	4,320.79	1,685.47	10,848.40
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**16,854.66**	**12,533.87**	**4,320.79**	**1,685.47**	**10,848.40**
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	565,527.95	10,108.42	555,419.53	2,262.11	7,846.30
	Stage 2	13,676.34	8,506.00	5,170.34	54.71	8,451.29
	Stage 3	16,894.32	12,563.53	4,330.79	1,685.62	10,877.90
	Subtotal	**596,098.61**	**31,177.95**	**564,920.66**	**4,002.44**	**27,175.49**

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KRAZYBEE SERVICES PVT. LTD. Bangalore

KRAZYBEE SERVICES PRIVATE LIMITED
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(All amounts are in Rs. Lakhs, unless otherwise stated)

(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020 (contd.):

As on March 31, 2024:

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	460,055.36	10,652.57	449,402.79	1,840.22	8,812.34
	Stage 2	11,253.23	7,088.21	4,165.02	45.01	7,043.19
Subtotal		471,308.59	17,740.78	453,567.81	1,885.23	15,855.53
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	11,052.55	7,927.17	3,125.38	1,105.26	6,821.92
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		11,052.55	7,927.17	3,125.38	1,105.26	6,821.92
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	460,055.36	10,652.57	449,402.79	1,840.22	8,812.34
	Stage 2	11,253.23	7,088.21	4,165.02	45.01	7,043.19
	Stage 3	11,052.55	7,927.17	3,125.38	1,105.26	6,821.92
	Subtotal	482,361.14	25,667.95	456,693.19	2,990.49	22,677.45

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(21) Disclosure on accounts subjected to restructuring

For year ended March 31, 2025
No loans have been restructured during the year ended March 31, 2025.

For year ended March 31, 2024
No loans have been restructured during the year ended March 31, 2024.

(22) Disclosure of complaint

(1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

S. No.		Particulars	March 31, 2025	March 31, 2024
	Complaints received by NBFC from its customers			
1.		No. of complaints pending at the beginning of the year	5	2
2.		No. of complaints received during the year	789	675
3.		No. of complaints disposed during the year	788	672
	3.1	Of which No. of complaints rejected by the NBFC	81	0
4.		No. of complaints pending at the end of the year	6	5

	Maintainable complaints received by the NBFC from the office of the ombudsman			
5.		No. of maintainable complaints received by the NBFC from Office of Ombudsman	75	74
	5.1	Of 5, No. of complaints resolved in favour of the NBFC by Office of Ombudsman	19	7
	5.2	Of 5, No. of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	35	54
	5.3	Of 5, No. of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	21	13
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2025					
Account related issues	1	564	22%	1	0
Repayment Delay Related	4	202	41%	5	0
Non customer issue	0	14	-75%	0	0
Transaction related issue	0	7	-22%	0	0
Product Related Issue	0	2	-67%	0	0
Total	5	789		6	0

Year ended March 31, 2024					
Account related issues	2	461	455%	1	0
Repayment Delay Related	0	143	134%	4	0
Non customer issue	0	56	115%	0	0
Transaction related issue	0	9	-71%	0	0
Product Related Issue	0	6	50%	0	0
Total	2	675		5	0

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(23) Exposure

(1) Exposure to real estate sector
Not applicable

(2) Exposure to capital market
Not applicable

(3) Sectoral exposure

Sectors	As on March 31, 2025			As on March 31, 2024		
	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	-	-	-	-	-	-
2. Industry						
Manufacturing*	8,972.65	346.78	3.86%	3,089.61	24.64	0.80%
Retail & Wholesale trade	25,306.92	936.74	3.70%	-	-	-
Others	2,024.35	63.85	3.15%	-	-	-
3. Services						
Other services*	32,592.13	1,340.24	4.11%	16,535.31	163.79	0.99%
4. Personal Loans						
i) Unsecured	511,574.68	14,203.10	2.78%	462,381.56	10,864.12	2.35%
ii) Secured	Not applicable					
4. Loan against Property						
i) Unsecured	Not Applicable					
ii) Secured	15,859.44	3.61	0.02%	359.99	-	0.00%
5. Auto / 2 Wheeler loans						
i) Unsecured	Not Applicable					
ii) Secured	164.94	-	0.00%	-	-	0.00%

***All loans classified under manufacturing and other services are MSME loans**

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(24) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP & Entities controlled by relatives of KMP		Independent Directors		Relatives of Independent director		Entities under common directorship		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Purchase of trademark	-	0.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.55
Non-convertible debentures (Outstanding)	-	-	-	-	-	-	562.30	100.39	471.92	210.76	-	-	-	-	-	-	1,034.22	311.15
Issue of Non - covertible debentures(NCD)	-	-	-	-	-	-	560.00	500.00	470.00	210.00	-	-	-	-	-	-	1,030.00	710.00
Redemption of NCD	-	-	-	-	-	-	100.00	420.00	210.00	120.00	-	-	-	-	-	-	310.00	540.00
Interest paid	-	-	-	-	-	-	52.99	51.89	47.26	31.80	-	-	-	-	-	-	100.25	83.69
Shares issued (including premium)	-	2,263.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,263.04
Deficiency recovery expenses	-	-	-	2,670.27	-	-	-	-	-	-	-	-	-	-	1,977.30	-	1,977.30	2,670.27
Rent cross charge	-	-	-	741.67	-	-	-	-	-	-	-	-	-	-	1,197.53	-	1,197.53	741.67
Asset cross charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	297.74	-	297.74	-
Sitting fees	-	-	-	-	-	-	-	-	-	-	60.50	42.00	-	-	-	-	60.50	42.00
Loan issued	-	-	-	-	-	-	-	-	-	-	-	-	-	1.60	-	-	-	1.60
Interest income on loan	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.13	-	-	0.08	0.13
Repayment of loan	-	-	-	-	-	-	-	-	-	-	-	-	0.74	0.86	-	-	0.74	0.86
Closing balance of loan receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	0.75	-	-	-	0.75
Trade mark usage fees	-	0.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.70
Trade mark	#REF!	#REF!	-	-	-	-	-	-	-	-	-	-	-	-	-	-	#REF!	#REF!
Dividend paid	-	3,353.86	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,353.86
Employee liabilities transferred in	-	-	-	1,217.67	-	-	-	-	-	-	-	-	-	-	56.30	-	56.30	1,217.67
Employee liabilities transferred out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.76	-	25.76	-
Share based expense during the year	-	27.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27.80
Sale of services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68.24	-	68.24	-
Business support Service (Income)	-	-	-	103.05	-	-	-	-	-	-	-	-	-	-	197.99	-	197.99	103.05

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(24) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP & Entities controlled by relatives of KMP		Independent Directors		Relatives of Independent director		Entities under common directorship		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Purchase of services	-	-	-	30,414.02	-	-	-	-	-	-	-	-	-	-	35,381.63	-	35,381.63	30,414.02
Business support Service (expense)	-	-	-	158.06	-	-	-	-	-	-	-	-	-	-	106.18	-	106.18	158.06
Corporate gurantee fees	-	-	-	440.38	-	-	-	-	-	-	-	-	-	-	829.68	-	829.68	440.38
Remuneration and expense reimbursements	-	-	-	-	-	-	8,010.07	2,600.01	-	-	-	-	-	-	-	-	8,010.07	2,600.01
Corporate gurantee given during the year	-	-	-	61,352.40	-	-	-	-	-	-	-	-	-	-	87,578.29	-	87,578.29	61,352.40
Corporate gurantee on outstanding balance of debt	-	-	-	29,258.51	-	-	-	-	-	-	-	-	-	-	79,187.02	-	79,187.02	29,258.51
Trade and other receivables	-	-	-	1,217.67	-	-	-	-	-	-	-	-	-	-	1,446.20	-	1,446.20	1,217.67
Trade and other payables	-	0.02	-	7,769.15	-	-	-	-	-	-	-	-	-	-	8,164.30	-	8,164.30	7,769.17
Contribution to post employment benefit plan trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	376.36	-	376.36	-

Note
Refer Note 20(k) of the Financial Statements. Pursuant to this distribution, Finnovation Tech Solutions Private Limited ceased to be a "Fellow Subsidiary" of the Company and is considered to be an "Entity with common directors".

(25) Breach of covenant
No covenants have been breached during the year.

(26) Divergence in asset classification and provisioning
The Company's asset classification policy is in accordance with RBI's asset classification norms.

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(27) Disclosure relating to Securitization

1 (i) Outstanding amount of Securitised assets as per books of the SPVs #

		As at March 31, 2025	As at March 31, 2024
1	No of SPEs holding assets for securitisation transactions originated by the originator (Count)	8	3
2	Total amount of securitised assets as per books of the SPEs	34,598.96	20,389.00
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	3,932.66	1,123.64
	Others	1,440.71	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss	-	-
	Others	8,446.79	3,094.52
	(ii) Exposure to third party securitisations		-
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets	53,077.39	17,981.01
	Gain/loss on sale on account of securitisation		
6	Form and quantum of services provided:		
	(i) Servicer fee	3.20	2.00
7	Performance of facility provided.		
	(a) Credit enhancement	3,932.66	1,123.64
	(b) Servicer fee	3.20	2.00
8	Average default rate of portfolios observed in the past	1.89%*	3.55%*
	- Personal loans		
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		-
10	Investor complaints		
	(a) Directly/Indirectly received	-	-
	(b) Complaints outstanding	-	-

*Note: As per internal estimates of PAR90

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(All amounts are in Rs. Lakhs, unless otherwise stated)

(28) Quarter on quarter Liquidity Coverage Ratio for the Financial Year ended March 31, 2025:

		Q1 FY 24-25		Q2 FY 24-25		Q3 FY 24-25		Q4 FY 24-25	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)	22,213.29	22,213.29	30,490.06	30,490.06	27,218.15	27,218.15	14,853.04	14,853.04
	Cash Outflows								
2	Deposits *(for deposit taking companies)*	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	5,500.00	6,325.00	-	-	-	-
4	Secured wholesale funding	22,370.70	25,726.30	30,046.30	34,553.25	29,722.37	34,180.73	17,628.75	20,273.06
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	15,071.60	17,332.34	18,996.85	21,846.38	15,377.30	17,683.90	16,883.29	19,415.78
7	Other contingent funding obligations	25.02	28.78	215.22	247.51	311.66	358.41	396.51	455.99
8	**TOTAL CASH OUTFLOWS**	**37,467.32**	**43,087.42**	**54,758.37**	**62,972.14**	**45,411.33**	**52,223.04**	**34,908.55**	**40,144.83**
	Cash Inflows								
9	Secured lending	31,920.00	23,940.00	28,815.00	21,611.25	15,000.00	11,250.00	37,231.89	27,923.92
10	Inflows from fully performing exposures	56,882.00	42,661.50	59,460.74	44,595.56	58,962.77	44,222.08	61,538.00	46,153.50
11	Other cash inflows	7,155.44	5,366.58	5,633.00	4,224.75	2,678.33	2,008.75	2,296.84	1,722.63
12	**TOTAL CASH INFLOWS**	**95,957.44**	**71,968.08**	**93,908.74**	**70,431.56**	**76,641.10**	**57,480.83**	**101,066.73**	**75,800.05**
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	TOTAL HQLA		22,213.29		30,490.06		27,218.15		14,853.04
14	TOTAL NET CASH OUTFLOWS		10,771.85		15,743.04		13,055.76		10,036.21
15	LIQUIDITY COVERAGE RATIO (%)		206.22%		193.67%		208.48%		147.99%

Components of HQLA:

		Q1 FY 24-25 Total Unweighted Value (average)	Q1 FY 24-25 Total Weighted Value (average)	Q2 FY 24-25 Total Unweighted Value (average)	Q2 FY 24-25 Total Weighted Value (average)	Q3 FY 24-25 Total Unweighted Value (average)	Q3 FY 24-25 Total Weighted Value (average)	Q4 FY 24-25 Total Unweighted Value (average)	Q4 FY 24-25 Total Weighted Value (average)
1	Assets to be included as HQLA without any haircut	**22,213.29**	**22,213.29**	**30,490.06**	**30,490.06**	**27,218.15**	**27,218.15**	**14,853.04**	**14,853.04**
	(a) T-Bills	-	-	-	-	-	-	-	-
	(b) Bank balance	*22,213.29*	*22,213.29*	*30,490.06*	*30,490.06*	*27,218.15*	*27,218.15*	*14,853.04*	*14,853.04*
2	Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3	Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4	Approved securities held as per the provisions of section 45 IB of RBI Act - Government Securities	-		-	-	-		-	
	Total HQLA	22,213.29	22,213.29	30,490.06	30,490.06	27,218.15	27,218.15	14,853.04	14,853.04

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The Company maintains adequate liquidity buffers considering its operating requirements, growth needs as well as funding obligations.

The LCR levels for the Balance Sheet date is derived by arriving at the stressed expected cash inflows and outflows for the next calendar month. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15% (i.e 115% of expected and contracted cash outflows). Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25% (i.e 75% of expected and contracted cash inflows).

The Company for purpose of computing outflows, has considered: (1) all the contractual debt repayments, (2) committed credit facilities contracted with it's customers, and (3) other expected or contracted cash outflows. Inflows comprises of: (1) expected receipt from all performing loans, and (2) liquid investment which are unencumbered and have not been considered as part of HQLA.

As prescribed by the RBI Regulations, for the purpose of HQLA, the Company considers cash and cash equivalents without any haircut and other high-quality liquid assets with the prescribed haircuts. The LCR is computed by dividing the stock of HQLA by its total net cash outflows over one-month stress period.

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(29) Details of penalties imposed by RBI and other regulators

Year ended March 31, 2025:

There was no monetary penalty imposed by the Reserve Bank of India or any other regulator for the FY 2024-25.

Year ended March 31, 2024:

There was no monetary penalty imposed by the Reserve Bank of India or any other regulator for the FY 2023-24.

(30) Remuneration of non-executive directors

	For the year ended	
Particulars	**March 31, 2025**	**March 31, 2024**
Abhishek Singhvi	21.00	15.00
Adesh Gupta	21.50	15.50
Gopalakrishna Gurrappa (Upto July 22, 2024)	6.00	11.50
Shashikala Ramachandra (w.e.f. July 19, 2024)	12.00	-

***Note:** The above numbers are excluding GST.*

(31) Others

(a) Details of Assignment transactions undertaken by applicable NBFCs:
There are no such transactions during the current year and previous year.

(b) Details of non-performing financial assets purchased / sold - Not Applicable:
There are no such transactions during the current year and previous year.

(c) Exposure to Real estate sector:
There are no such transactions during the current year and previous year.

(d) Exposure to Capital market:
There are no such transactions during the current year and previous year.

(e) Details of financing of parent company products:
There are no such transactions during the current year and previous year.

(f) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC - Nil.

(g) Registration obtained from other financial sector regulators - None.

(h) Remuneration of non executive directors - Refer Point 24 of the Annexures to the Financial Statements.

(i) There are no prior period items in the current year. The Financial Statements for the current year have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(j) There is no postponement of revenue recognition during the year which is subjected to resolution of significant uncertainties.

(k) Draw Down from Reserves:
There has been no draw down from reserves during the year.

(l) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad):
There are no overseas assets owned by the Company.

(m) Off-balance Sheet SPVs sponsored:
There are no off-balance sheet SPVs sponsored.

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TAYYAM & CO. Chartered Accountants NEW DELHI

KRAZYBEE SERVICES PVT. LTD. Bangalore